Northern Ireland Labour Market Report

Theme: Labour Market
Frequency: Monthly
Geographical Area: Northern Ireland

Key Points

- The number of people on the NI claimant count (experimental) decreased over the month to 60,200 in October 2020. This October count is more than double the number recorded in March. The experimental Claimant Count includes Jobseeker's Allowance Claimants and those claimants of Universal Credit who were claiming principally for the reason of being unemployed.

- There were 820 proposed redundancies in October 2020 and 710 proposed between 1st and 6th November. From 1st November 2019 to 31st October 2020, 9,600 redundancies were proposed, the highest annual total since records began. The department was notified of 1,240 confirmed redundancies in October 2020, the highest monthly total this year and the second highest on record. This takes the number of confirmed redundancies to 4,060 in the 12 months to the end of October, with over 3,200 in the last four months; compared to 3,100 the previous year.

- The number of employees receiving pay through HMRC PAYE in NI in September 2020 was 742,400, an increase of 0.1% over the month and a decrease 0.7% over the year. The flash estimate for October shows a decrease of 0.1% on September's figure to 741,700.

- Earnings from the HMRC PAYE indicated that NI employees had a median monthly pay of £1,764 in September 2020, an increase of 0.7% over the month and 4.9% from the same time last year. The flash estimate for October shows an increase of 0.3% on September's figure to £1,769.

- The latest Labour Force Survey (LFS) estimates relate to July-September 2020. The estimates indicate that, over the quarter, the unemployment rate increased and the employment and economic inactivity rates decreased.

- The NI unemployment rate (16+) increased over the quarter (1.0pps) and the year (1.0pps) to 3.6% in July-September 2020. The quarterly and annual changes were statistically significant. The NI unemployment rate was below the UK rate (4.8%), the Republic of Ireland rate (5.4%) and the EU (27) rate (7.4%).

- The proportion of people aged 16 to 64 in work (the employment rate) decreased over the quarter (0.5ps) and over the year (1.7pps) to 70.5%. Although recent changes were not statistically significant, the employment rate was significantly above rates in 2017. The latest employment rate recorded for the whole of the UK was 75.3%.

- The NI economic inactivity rate (the proportion of people aged from 16 to 64 who were not working and not seeking or available to work) decreased over the quarter (0.3pps) and increased over the year (0.9pps) to 26.8%. Although recent changes were not statistically significant, the economic inactivity rate was significantly below rates in 2017. The NI economic inactivity rate remained above the UK rate (20.9%).

Contents

NATIONAL STATISTICS STATUS

National Statistics status means that our statistics meet the highest standards of trustworthiness, quality and public value, and it is our responsibility to maintain compliance with these standards.

These statistics were designated as National Statistics in August 2010 following a full assessment against the Code of Practice. A compliance check in March 2020 recommended the continued designation of the report as a National Statistic. These statistics were considered as part of a wider assessment of UK employment and jobs statistics.

Since the assessment by the UK Statistics Authority, we have continued to comply with the Code of Practice for Statistics, and have made the following improvements:

- Redesigned the Labour Market Report, providing more context to results by setting recent changes within context of longer term trends;
- Removed pre-release access to enhance trustworthiness, and brought forward the publication date as a result;
- Improved timeliness of calendar quarter data (ranging from 1 week to 3 months) by incorporating quarterly tables in the main Labour Market Report Publication
- Improved quality of the LFS data by boosting the sample size and improving precision around headline estimates
- Reviewed and updated quality protocols for release
- Improved accessibility of labour market statistics by changing publication practices so that reports are no longer released on public holidays. Temporarily changed timing of release in line with change in ONS release practices in response to COVID-19.

1. Summary of Labour Market Statistics

Updated November 2020

Change over quarter

Seasonally adjusted LFS estimates for Northern Ireland for the period July-September 2020 showed that, over the quarter:

- the unemployment rate increased by 1.0pps to 3.6%   Statistically significant
- the employment rate decreased by 0.5pps to 70.5%   Not statistically significant
- the economic inactivity rate decreased by 0.3pps to 26.8%   Not statistically significant

The seasonally adjusted experimental claimant count (Jobseeker's Allowance Claimants and those claimants of Universal Credit who were claiming principally for the reason of being unemployed) showed that in October 2020, there was:

- a decrease of 0.7% (400) over the month to 60,200.

Experimental statistics from HMRC PAYE indicated that in September 2020:

- 742,400 people were payrolled employees, an increase of 0.1% from the previous month
- median monthly pay for employees in NI was £1,764, an increase of 0.7% (£13) over the month.

During October 2020 there were:

- 1,240 confirmed redundancies notified to the Department, higher than the previous month's total (460) and the highest monthly total this year.
- 820 proposed redundancies, and a further 710 proposed in the current month to 6th November.

Table 1: Labour Market Summary	Time Period	Estimate (95% Confidence interval)	Change over quarter (95% Confidence interval)	Change over year (95% Confidence interval)
Unemployment[1]	Jul-Sep 2020	32,000 (+/-8,000)	9,000 (+/-6,000)	9,000 (+/-9,000)
Employment[2]	Jul-Sep 2020	856,000 (+/-24,000)	-4,000 (+/-19,000)	-22,000 (+/-28,000)
Economically inactive[2]	Jul-Sep 2020	589,000 (+/-23,000)	-4,000 (+/-19,000)	19,000 (+/-27,000)
Unemployment rate[1]	Jul-Sep 2020	3.6% (+/-0.8)	1.0pps (+/-0.7)	1.0pps (+/-1.0)
Employment rate[2]	Jul-Sep 2020	70.5% (+/-1.9)	-0.5pps (+/-1.4)	-1.7pps (+/-2.3)
Economic inactivity rate[2]	Jul-Sep 2020	26.8% (+/-1.8)	-0.3pps (+/-1.4)	0.9pps (+/-2.2)
		Estimate	Change over month	Change over year
Experimental Claimant Count[3]	October 2020	60,200	-400	-
Redundancies[4] - Confirmed	October 2020	1,240	780	1,160
Redundancies[4] - Proposed	October 2020	820	-330	740
Payrolled Employees[5]	September 2020	742,400	810	-5,190
Median Monthly pay[6]	September 2020	£1,764	£13	£82

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LFS data are seasonally adjusted. More information on confidence intervals is available on the NISRA website – Estimating and reporting uncertainty paper.
[1] People aged 16 and over. Unemployment rate = total unemployed as a proportion of the economically active.
[2] Levels for all persons aged 16 and over, rates for working age (16-64).
[3] The number of claimants on 8th October, seasonally adjusted.
[4] Redundancies in the calendar month, not seasonally adjusted and rounded to 10.
[5] HMRC Pay As You Earn Real Time Information, rounded to 100 and seasonally adjusted
[6] HMRC Pay As You Earn Real Time Information, seasonally adjusted

Monthly Labour Market Report published on 10th November 2020 **Page 4**

NI Labour Market Structure: Change over year

Seasonally adjusted LFS estimates for Northern Ireland for the period July-September 2020 showed that over the year:

- the unemployment rate increased by 1.0pps to 3.6%   Statistically significant
- the employment rate decreased by 1.7pps to 70.5%   Not statistically significant
- the economic inactivity rate increased by 0.9pps to 26.8%   Not statistically significant

Experimental statistics from HMRC PAYE indicated that, in September 2020:

- 742,400 people were payrolled employees, a decrease of 0.7% from September 2019
- median monthly pay for employees in NI was £1,764, an increase of 4.9% (£82) from the same period one year earlier.

Over the latest twelve month period there were:

- 4,060 confirmed redundancies, which was an increase of 31% from the previous year (3,100)
- 9,600 redundancies were proposed, an increase of 120% from the previous year (4,370) and the highest annual total since comparable records began.

Figure 1: NI labour market structure (16+): change over year
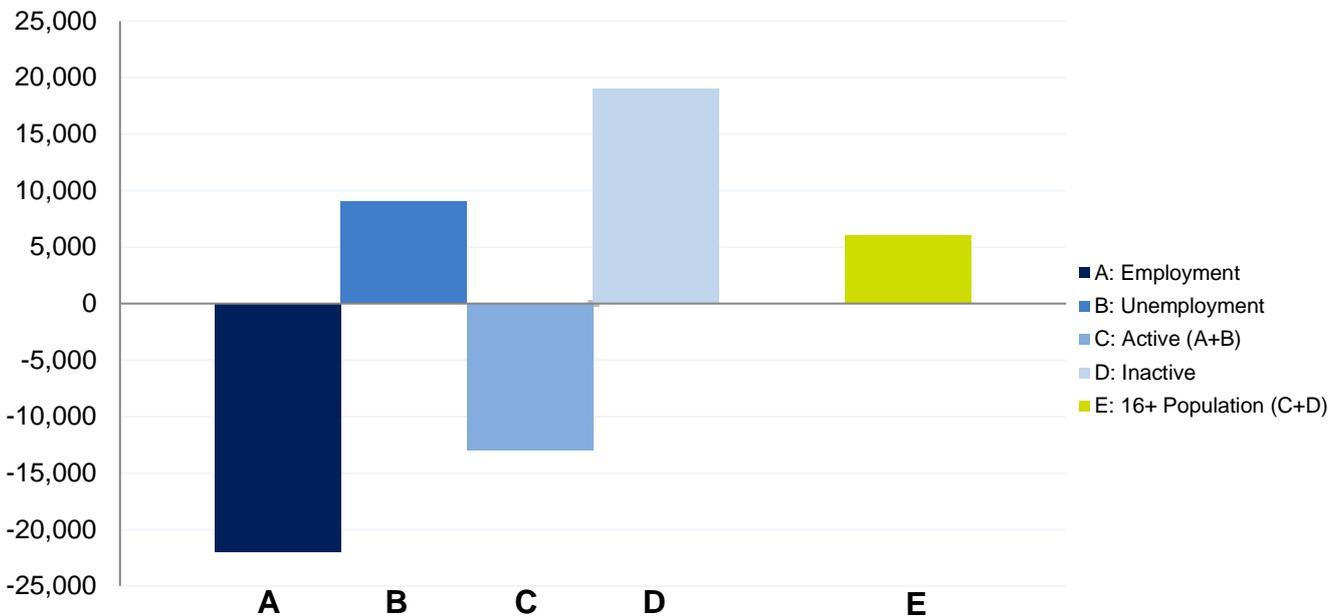
Note: figures rounded so may not sum

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UK summary

Seasonally adjusted LFS estimates for the UK for the period July-September 2020 showed:

- the unemployment rate (4.8%) increased by 0.7pps over the quarter and 0.9pps over the year
- the employment rate (75.3%) decreased by 0.6pps over the quarter and 0.8pps over the year
- the economic inactivity rate (20.9%) was unchanged over the quarter and increased by 0.1pps over the year

Commentary

There has been a small increase in the number of paid employees (as per HMRC data) since the fall of 1.7% between March and April this year. However, the October total remains 1.6% lower than in March and 0.9% lower than October last year.

The experimental claimant count, which includes claimants who are wholly unemployed and seeking work, as well as others who may be employed but with low earnings that make them eligible for unemployment related benefit support, shows a continuation of trends since May. The number claiming unemployment related benefits remained above 60,000 in October, more than double the number in March. Following record high proposed redundancies in June and July (4,410), the pace of proposed collective redundancies slowed somewhat in August (700), September (1,150) and October (820). The large number of proposed redundancies in April to July has translated into confirmed redundancies from July onwards (3,200) with over 1,200 redundancies confirmed in the month of October.

Labour Force Survey data for the earlier period of July-September shows the unemployment (3.6%) rate increased, and the economic inactivity (26.8%) and employment (70.5%) rates decreased over the quarter.

While the employment rate decreased over the quarter and the year, there has been some recovery in the total number of hours worked across the economy; increasing by 11% over the most recent quarter after the record fall of 19% between January-March and April-June. That said, the total number of hours worked per week during July-September remains 11% below the total at the beginning of 2020.

The increase in the unemployment rate of 1.0pps to 3.6% between April-June and July-September was statistically significant. The data indicate that the increase over the quarter was driven by those under 35 years. Within this the youth unemployment rate (16-24 years) was estimated at 11.5% in July-September 2020.

Further information is available on the NISRA - Economic and Labour Market Statistics website: LMR Headline Tables.

Infographic summary of latest labour market statistics, July-September 2020

July-September 2020

Unemployment – 3.6%

UK
NI
4.8
3.6

Economic Inactivity – 26.8%

NI
UK
26.8
20.9

Employment – 70.5%

UK
NI
75.3
70.5
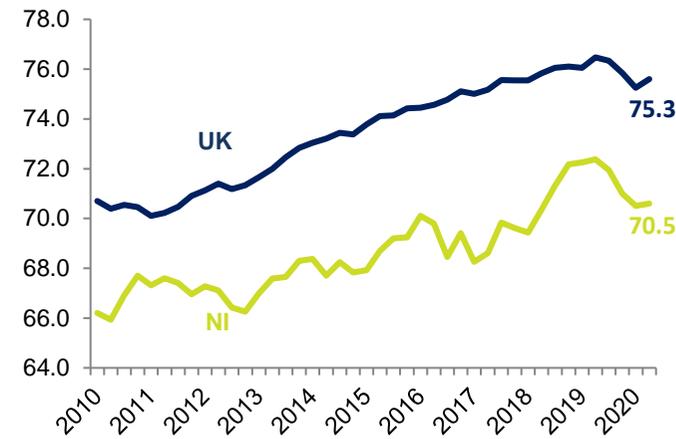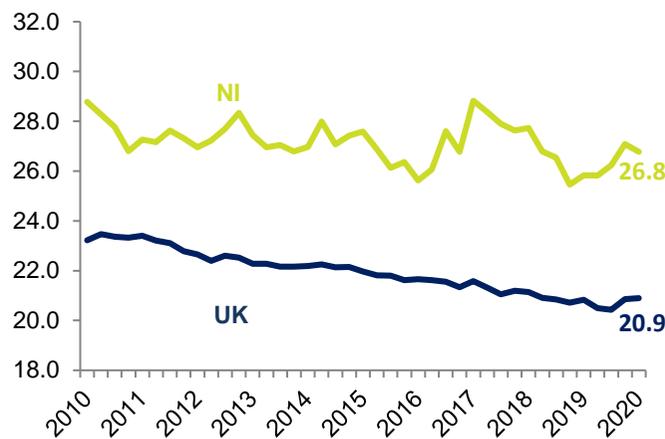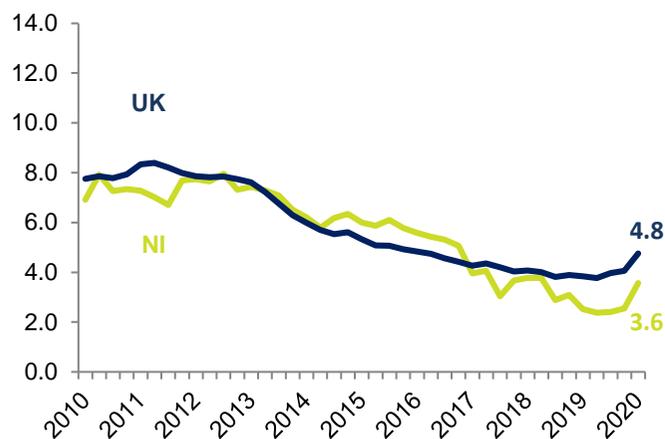
Quarterly Change

NI 1.0pps[1] ⬆	UK 0.7pps ⬆	NI - 0.3pps ⬇ UK 0.0pps ↔	NI -0.5pps ⬇ UK -0.6pps ⬇

Annual Change

NI 1.0pps ⬆	UK 0.9pps ⬆	NI 0.9pps ⬆ UK 0.1pps ⬆	NI -1.7pps ⬇ UK -0.8pps ⬇

pps[1] = percentage points
Labour Force Survey, seasonally adjusted and subject to future revisions.
Data published – 10th November 2020

NISRA
Northern Ireland
Statistics and Research Agency
Gníomhaireacht Thuaisceart Éireann
um Staitisticí agus Taighde

Labour Market User Group

The online labour market user group took place on Wednesday 21st October 2020. The presentation is now available from the LMS user engagement page on the NISRA website.

Things users need to know

Revisions to Labour Force Survey Estimates from January –March 2020.
NISRA suspended all face to face household interviews in the middle of March due to COVID-19 and from April all LFS interviews were conducted by telephone. This change in mode for first interviews has changed the non-response bias of the survey, affecting interviews from March 2020 onwards. In particular, the proportion of households where people own their homes in the sample has increased and rented accommodation households has decreased. As such, ONS have revised the weighting methodology to include tenure type and provided a consistent reweighted time series back to January-March 2020. The impact on the NI results has generally been to increase the unemployment rate and economic inactivity rate and decrease the employment rate. More information can be found in an article on the ONS website.

The sample size (16+) for July-September 2020 was 18% lower than the previous quarter and 32% lower than the same quarter last year. This has impacted the precision of the estimates. For example the employment rate 95% confidence interval increased by +/-0.2 percentage points from the April-June 2020 quarter and +/-0.4pps from July-September 2019.

Experimental statistics from HMRC Pay As You Earn system for September are included in today's release to provide an additional indication of changes in the number of employees and a measure of employee earnings. Flash estimates for October are included which are based on 85% of data and subject to revision in next month's release. An ONS blog provides reasons for differences in estimates derived from the Claimant Count, Labour Force Survey and PAYE.

Data source reference periods and key dates
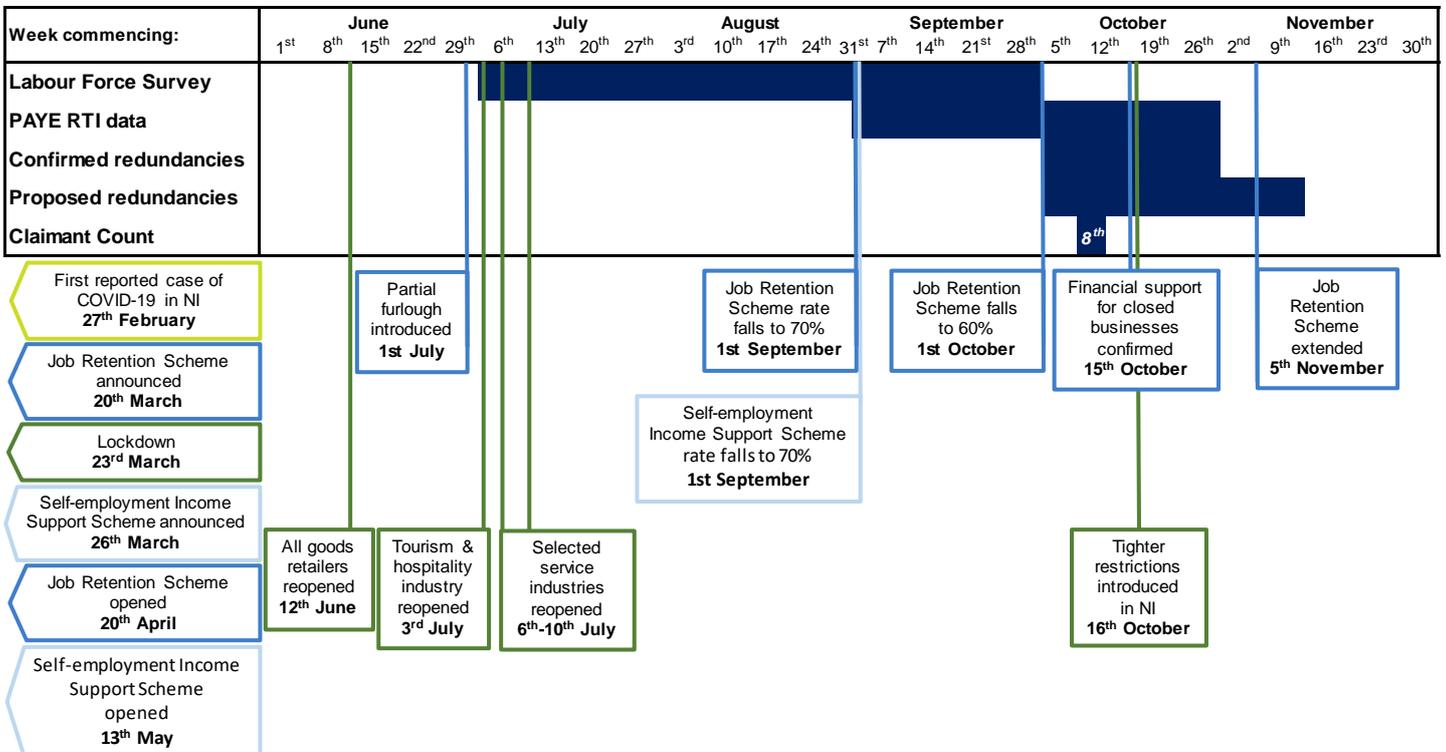
Context

The LMR is a monthly overview of Northern Ireland key labour market statistics. It includes figures from the Labour Force Survey (LFS), the Quarterly Employment Survey, claimant count, redundancies counts, vacancies data and HMRC PAYE statistics. More information about the data sources can be found in Section 6. Where available, comparative UK data (produced by the ONS) have been included. The latest labour market statistics are available on the ONS website.

A Labour Market Outputs consultation in summer 2019 (Labour Market Statistics User Engagement page) showed labour market statistics are used for policy monitoring and research, academic and private sector research, service planning and delivery. Key users of Northern Ireland labour market statistics include government departments, in particular the Department for the Economy (DfE), which uses the statistics to design and monitor the impact of economic and labour market policy. Other Government departments such as the Executive Office, the Department of Finance (DoF) and the Department of Agriculture, Environment and Rural Affairs (DAERA), as well as bodies such as Invest NI and Belfast City Council, regularly require specific ad hoc labour market analysis in order to monitor policies for example, equality and employment. In addition, significant 'non-governmental' users of labour market statistics (including the media, banks, academics, private consultants and the general public) use the data primarily for reporting or researching the performance of the economy in general. Labour market statistics attract widespread media coverage, with a number of broadcasters publishing articles on the labour market on a monthly basis, generally on the day of publication of the LMR.

Labour market statistics feature in the DfE Economic Commentary, which provides an overview of the state of the Northern Ireland economy, in context with the UK and Republic of Ireland. The most up-to-date official statistics on the economy and labour market are available on the Economic Overview section of the NISRA website. More information on the production of LFS outputs in general can be found in the Background information – LFS section of the NISRA website.

Further information on using labour market statistics can be found on the Office for National Statistics (ONS) website:

- Guide to Labour Market Statistics
- Glossary

Ad–hoc data requests related to the labour market impacts of coronavirus and associated schemes are added to the COVID-19 related analysis section of the NISRA website.

For more on how COVID-19 has impacted the production of statistics please see the COVID-19 and the production of statistics section on the NISRA website and an ONS Statement on ensuring the best possible information during COVID-19 through safe data collection.

2 Unemployment

Labour Force Survey

The Labour Force Survey (LFS) is a household sample survey carried out by interviewing individuals about their personal circumstances and work. It provides a rich source of information on the labour force using internationally agreed definitions. Estimates are subject to sampling error (see section 6 and the Estimating and Reporting Uncertainty paper for details). The Labour Force Survey estimates from January-March 2020 to May-July 2020 have been revised. Please see LFS revision note – October 2020 detailing the size of revisions.

> **LFS unemployment:** The International Labour Organisation (ILO) defines unemployed as those aged 16+ without a job who were able to start work in the two weeks following their LFS interview and had either looked for work in the four weeks prior to interview or were waiting to start a job they had already obtained.
>
> **Long-Term Unemployment:** those who have been unemployed for 12 months or more.
>
> **Youth Unemployment:** unemployed people aged 16-24 years.

Key Findings

- **LFS unemployment rate for July to September in NI increased over the quarter and over the year to 3.6%.**

- **The UK unemployment rate is estimated at 4.8%**

Figure 2:   Seasonally adjusted unemployment rate (16+), Jul-Sep 2005 to Jul-Sep 2020
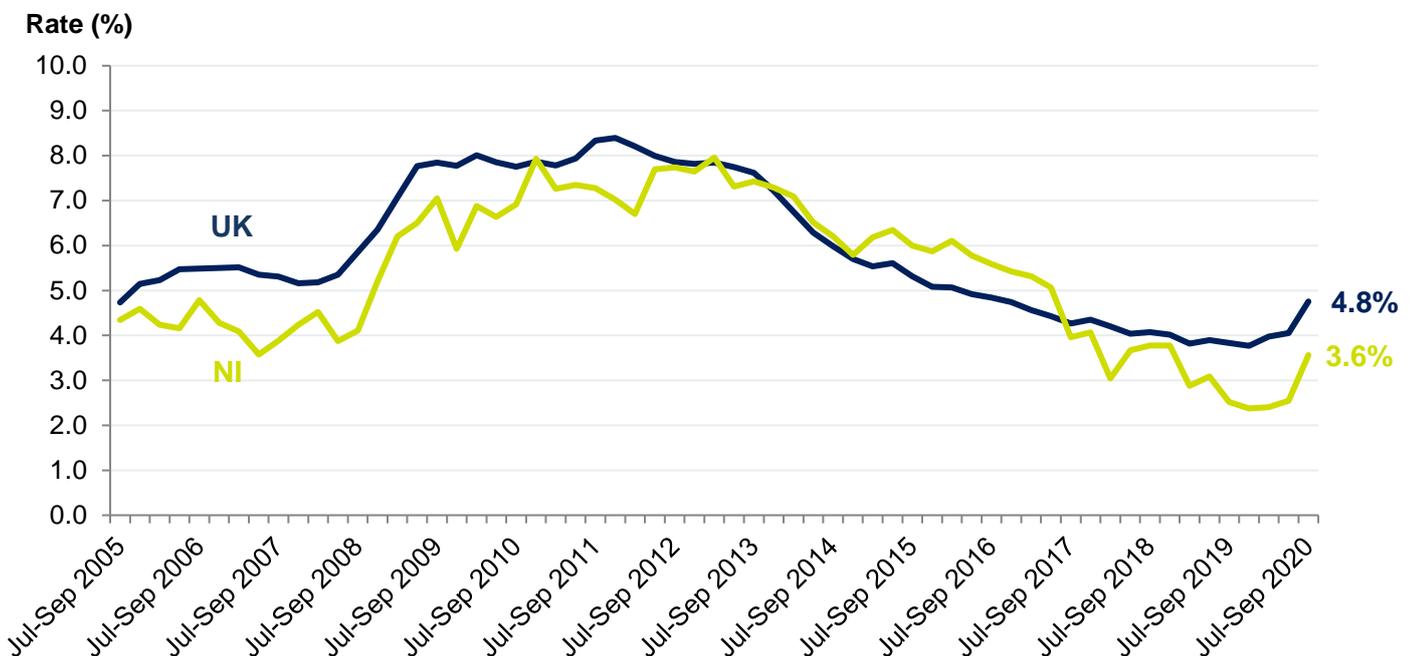
Figure 2 shows unemployment rates on the current 3 month rolling average for NI and the UK over the last 15 years. The unemployment rate in the UK reached over 8% in 2011 while the NI rate reached over 8% in the first quarter of 2013. The NI rate has been below the UK rate since mid-2017.

The most recent quarter shows sizeable increases in both the UK and NI unemployment rates. The increase of 0.7 percentage points in the UK brings the unemployment rate to its highest point since 2016 while the increase of 1.0 percentage points over the quarter brings the NI rate to 2018 levels.

LFS unemployment

The unemployment rate (16+) for the period July-September 2020 was estimated at 3.6%, this was:
- an increase of 1.0pps over the quarter (statistically significant change)
- an increase of 1.0pps over the year (statistically significant change).

The number of unemployed persons aged 16+ was estimated at 32,000, which was:
- up 9,000 from last quarter. Unadjusted data shows the increase was driven by those unemployed aged under 35 years.
- Up 9,000 from the same period last year

UK regional and international LFS comparisons

The most recent NI unemployment rate (3.6%) was:
- below the overall UK average rate (4.8%)
- the lowest rate among the twelve UK regions
- below the European Union (27) rate (7.4%) for August 2020 and the Republic of Ireland rate (5.4%) for September 2020

Long-term and youth unemployment*

In July-September 2020, the percentage of unemployed who have been unemployed for 1 year or more (long-term) was 35.5% in NI. The youth (16-24) unemployment rate was 11.5%.

*Please note that estimates for both long-term and youth unemployment for Northern Ireland are based on a smaller sample size. This may result in less precise estimates which should be used with caution, in particular when comparing with other regions or over time.

**Further information is available on the NISRA - Economic and Labour Market Statistics website:
LFS unemployment**

Comparison between LFS Unemployment and the Experimental Claimant Count

LFS is a sample survey and is conducted to International Labour Organisation (ILO) definitions. It provides the official unemployment measure in NI with a time lag of six weeks between the end of data collection and publication of estimates. The experimental claimant count is a measure of the number of people claiming benefits principally for the reason of being unemployed and is derived from Jobs and Benefits Offices systems. Statistics derived from it are influenced by changes to benefit system, such as the introduction of Universal Credit. It is a timelier labour market indicator than measures produced from the LFS, with estimates published one month after the claimant count date.

There is a similar overall trend between LFS unemployment and the claimant count for most of the twenty year period from 2000 – 2020. The most recent figures, however, show a clear divergence and highlights the difference in methodology and definitions between the two measures. One important difference contributing to the divergence since April is that those furloughed under the Coronavirus Job Retention Scheme and not working would be included within the LFS employment estimates as 'temporarily away from work', and not the LFS unemployed estimates. In contrast, those who are furloughed could potentially be included within the Universal Credit 'searching for work' conditionality and therefore be counted within the experimental claimant count.

A fuller user guide setting out the differences between the experimental claimant count and the LFS unemployment is available from the differences between the ILO unemployment and claimant count page on the NISRA website.

Claimant count (experimental)

The claimant count is an administrative data source derived from Jobs and Benefits Offices systems, which records the number of people claiming unemployment-related benefits.

> **Claimant count (experimental):** consists of all people claiming Jobseeker's Allowance (JSA) plus those Universal Credit (UC) claimants who were claiming principally for the reason of being unemployed. Some claimants are wholly unemployed and seeking work, while others may be employed but with low earnings that make them eligible for unemployment related benefit support. ***The most recent reference date was 8th October.***
>
> **Universal Credit:** Universal Credit was rolled out in NI for new claims of six benefits, including income-based JSA, on a phased geographical basis between September 2017 and December 2018.
>
> **Percentage of workforce:** the number of claimants as a percentage of workforce jobs plus claimants. Workforce jobs are the sum of employee jobs, self-employment jobs, HM Forces, and government-supported trainees. This measure is only available at the NI level.

Key Findings

- **NI claimant count (experimental) decreased over the month to 60,200**

- **In October 2020, 6.5% of the NI workforce were recorded on the claimant count**

Figure 3: Seasonally adjusted claimant count (experimental) monthly rates, Oct 2005 – Oct 2020

...... *undercount, see detail in background notes*

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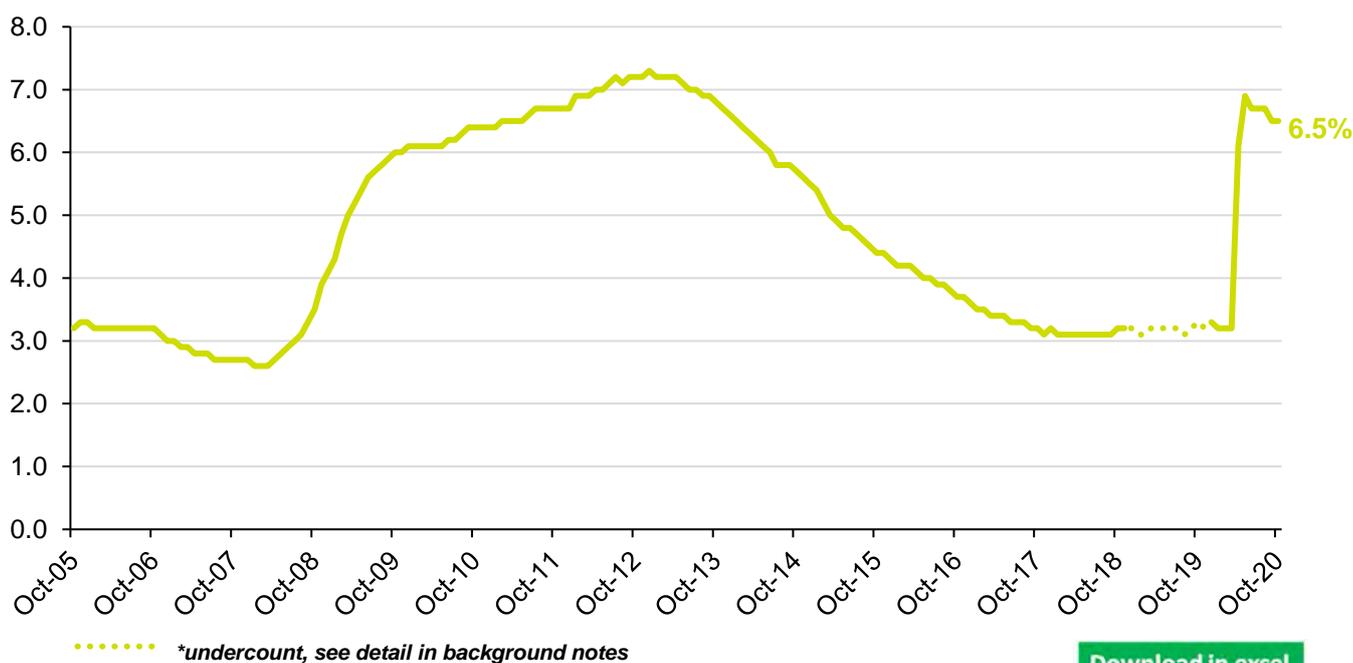
In March 2018 the NI claimant count measure changed from one based solely on Jobseekers Allowance (JSA) to an experimental measure based on JSA claimants and Universal Credit (UC) claimants who were claiming principally for the reason of being unemployed. Those claiming unemployment-related benefits (either UC or JSA) may be wholly unemployed and seeking work, or may be employed but with low income and/or low hours, that make them eligible for unemployment-related benefit support. Under UC a broader span of claimants became eligible for unemployment-related benefit than under the previous benefit regime.

The recent increases in claimant count can largely be attributed to the increase in the numbers of people becoming unemployed or having their hours reduced, resulting in very low earnings below the administrative earnings threshold. There may be some persons, previously not eligible for UC due to partner earnings, now eligible as a result of work allowance increases who would now be included within the count. Estimates to identify the extent to which each group has contributed to the increase in claimant count are not available for NI.

In October 2020, 60,200 people were recorded on the NI Claimant Count. This is the sixth consecutive month where the number of claimants has exceeded 60,000 and is more than double the count in March. Claimant counts since May have been similar to levels and rates seen in 2012 and 2013.

Claimant count (experimental) unemployment

The NI seasonally adjusted claimant count stood at 60,200 (6.5% of the workforce) in October 2020, representing:

- a decrease of 0.7% over the month
- a decrease of 1.1% in males and an increase of 0.1% in females
- no change in the workforce claimant count rate over the month (6.5%)
- an increase of 30,500 since March.

The UK seasonally adjusted claimant count decreased by 1.1% over the month to 2,633,700 (7.3%).

Figure 4:   Claimant count rate by Council Area, October 2020
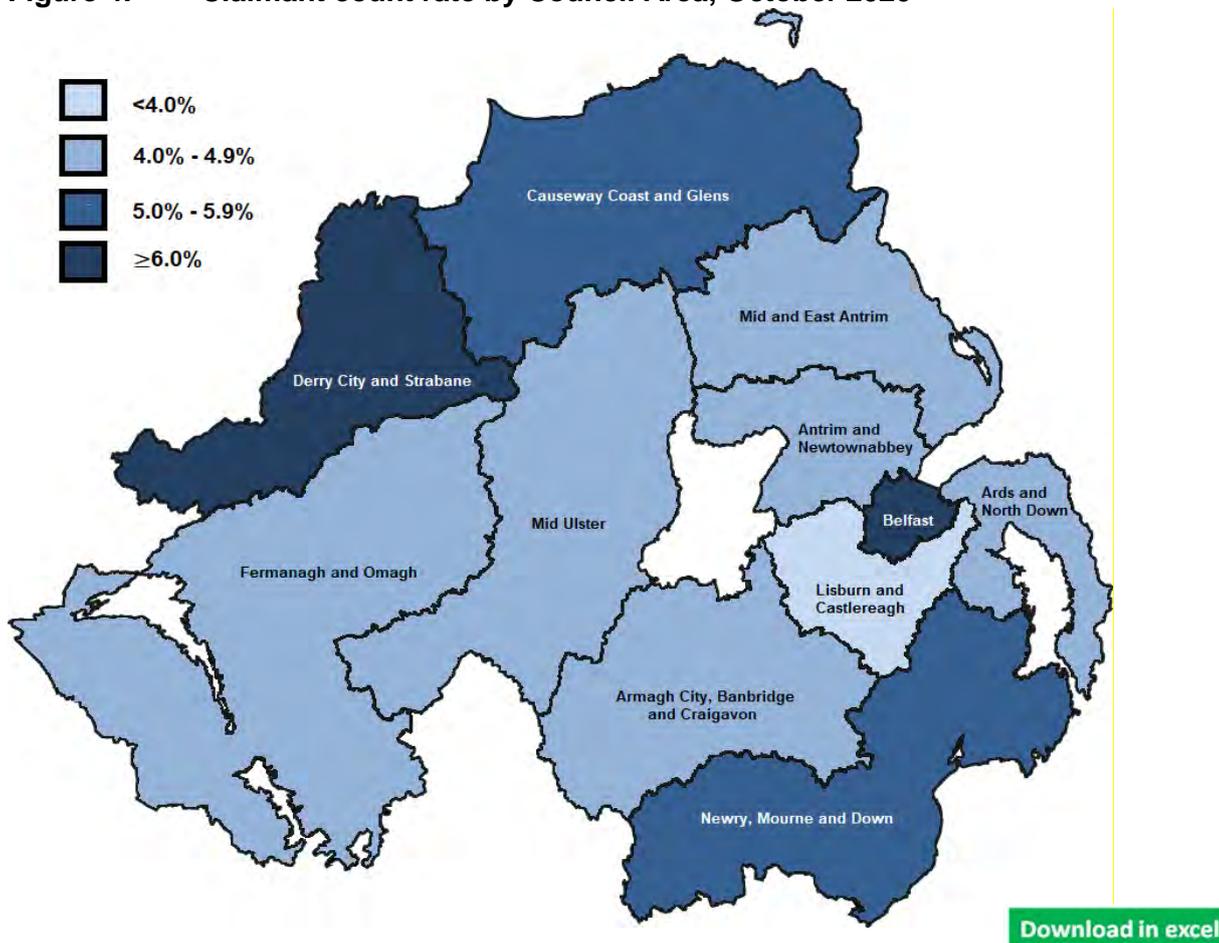
The Council Area comparison using claimant count data unadjusted for seasonality found that:
- the highest claimant count rates were in Derry City and Strabane (7.1%) and Belfast (6.4%).
- the lowest claimant count rates were in Lisburn and Castlereagh (3.7%) and Fermanagh and Omagh (4.1%).

Annual and monthly claimant count data are available on the NINIS website in the form of interactive maps for **Parliamentary Constituency**, **Council Area** and **Super Output Area**.

Further details on the experimental claimant count are available on the NISRA - Economic and Labour Market Statistics website: Claimant Count

Redundancies

Under the Employment Rights (Northern Ireland) Order 1996 (Amended 8 October 2006) companies are only legally required to notify the Department of impending redundancies of 20 or more employees. Companies who propose less than 20 redundancies are not required to notify the Department, therefore the figures provided are likely to be an underestimate of total job losses, however, it is not possible to quantify the extent of the shortfall. Further information can be found in the Redundancies Background Quality Report.

> **Redundancies:** Subject to the criteria mentioned above, employers must notify the Department of (a) redundancies proposed and (b) redundancies confirmed. Since all proposed redundancies do not actually take place, the confirmed total provides a better indication of real job losses.

Key Findings

- **1,240 redundancies were confirmed in October, the highest monthly total this year and second highest on record**
- **820 redundancies were proposed in October 2020 and a further 710 have been proposed in the current month up to 6th November 2020**
- **From 1st November 2019 to 31st October 2020, 9,600 redundancies were proposed, the highest annual totals on record**

Figure 5: Confirmed and proposed redundancies – Annual totals, Nov-Oct 2005 to Nov-Oct 2020
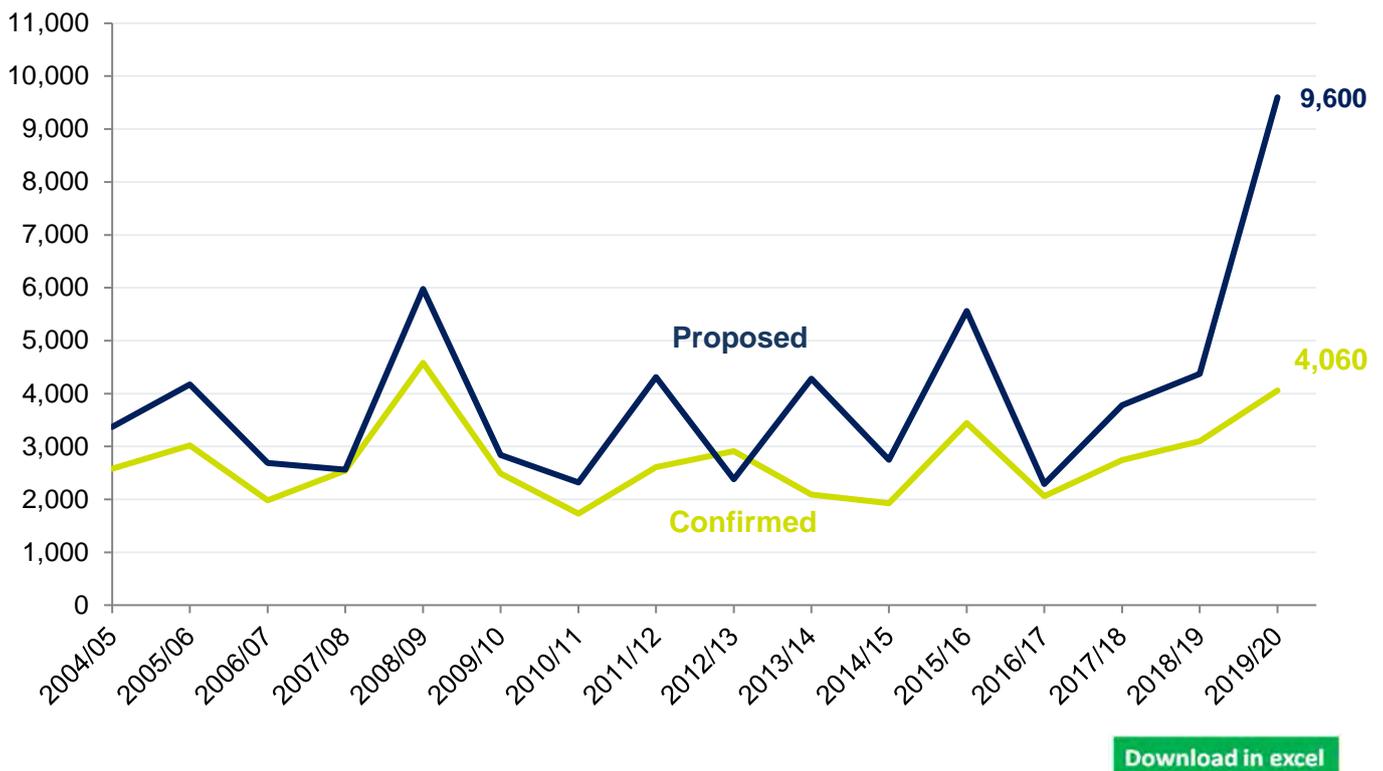
Redundancy notification data shows a high degree of correlation between proposed and confirmed redundancies when grouped by year. On a monthly basis the correlation is lower as there is a time lag between proposing and making redundancies. The graph above shows that, generally the number of proposed redundancies is higher than confirmed redundancies indicating that not all proposed redundancies take place.

In the year to 31st October 9,600 redundancies were proposed, the highest annual totals on record. At over 4,000 the number of confirmed redundancies in the last year is much lower and in part reflects the advanced notification period between proposed and confirmed redundancies. Around 46% of the

redundancy notifications (proposals) in the most recent 12 months took place in June and July while nearly 80% of redundancies confirmed in the last year were in the last four months.

Confirmed redundancies

Employers are required by law to notify the Department of proposals to make 20 to 99 redundancies at least 30 days before the first dismissal, and, for 100 or more redundancies, 90 days before the first dismissal. This results in a time lag of at least a month between the redundancies being proposed and then being confirmed.

During October 2020, the Department was notified of:
- 1,240 confirmed redundancies; the highest monthly total this year and the second highest on record. In the last four months there has been over 3,200 confirmed redundancies, most of which resulted from notifications submitted between June and July.

Over the latest twelve month period there were:
- 4,060 confirmed redundancies, which was 31% higher than the previous year (3,100)
- 1,910 (or 47%) confirmed in manufacturing, which was higher than one year ago (1,770 or 57%)
- 560 (14% of all confirmed redundancies) in the wholesale and retail trade which was higher than the previous year (550 and 18%)
- a further 480 (12% of all confirmed redundancies) in transportation and storage, which had no confirmed redundancies in the previous year.

Proposed redundancies

It should be noted that since not all proposed redundancies actually take place, the confirmed total provides a better indication of real job losses.

The most recent data shows there were:
- 820 proposed redundancies in October, below the record highs of 2,470 in June and 1,940 in July, and lower than the previous month (1,150)
- a further 710 redundancies proposed between 1st and 6th November.

Over the latest twelve month period there were:
- 9,600 proposed redundancies, which was more than double the previous year (4,370) and the highest annual total on record
- 3,240 (34%) proposed in manufacturing, which was higher than one year ago (2,080 or 48%)
- 1,430 (15% of all proposed redundancies) in the wholesale and retail trade, higher than the previous year (1,280 or 29%)
- a further 1,150 (12% of all proposed redundancies) in accommodation and food service activities, which was much higher than in the previous year (20 or 0.5%).

Figure 6:   Confirmed and proposed redundancies – Monthly totals, November 2019 to October 2020
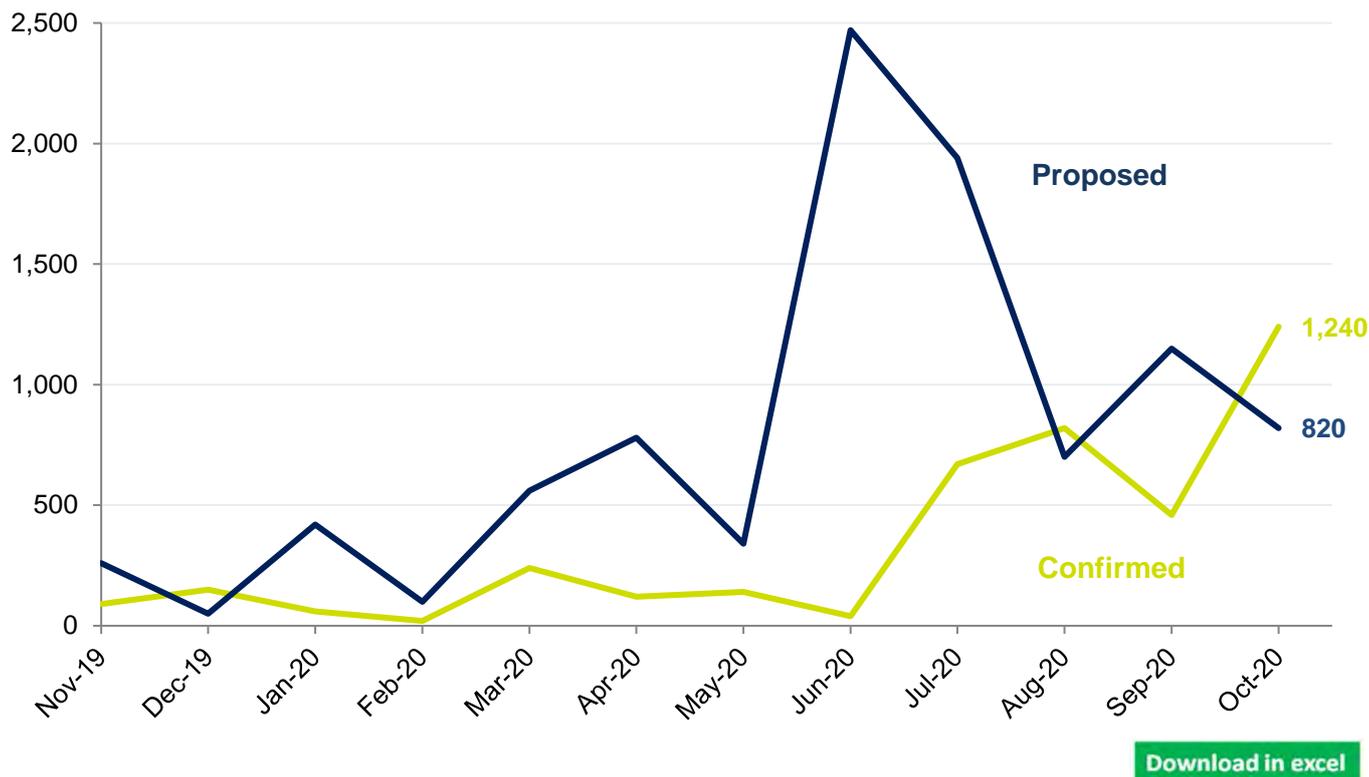
The graph above charts monthly proposed and confirmed redundancies over the last twelve months. The graph shows the lag between proposed redundancies and the confirmation of the redundancies which is not apparent when plotted on an annual basis (as in Figure 5). Of note are the proposed redundancies in June and July, which was the highest consecutive monthly total of proposed redundancies on record at over 4,400. This began to translate into confirmed redundancies in June when increases were recorded following a period of relatively low numbers between March and June. Consequently, in the last four months there has been over 3,200 confirmed redundancies. The total for October 2020 is the highest number of monthly redundancies confirmed this year and the second highest on record.

Further information is available on the NISRA - Economic and Labour Market Statistics website: Redundancies

3 Employment

Updated November 2020

LFS employment

The Labour Force Survey estimates from January-March 2020 to May-July 2020 have been revised. Please see LFS revision note – October 2020 detailing the size of revisions.

> **LFS employed:** people aged 16 or over who did at least one hour of paid work in the reference week (whether as an employee or self-employed); those who had a paid job that they were temporarily away from; those on government-supported training and employee programmes and those doing unpaid family work.
>
> *Note: For analysis purposes, numbers refer to people aged 16 and over while rates relate to people aged between 16 and 64 years*

Key Findings

- **The employment rate decreased over the quarter and over the year to 70.5%**

- **Average number of hours worked was estimated at 30.0 hours per week for the period July-September 2020. This is 3.0 hours lower than the same period last year but 3 hours higher than last quarter. Hours figures are not adjusted for seasonality.**

Figure 7: Seasonally adjusted employment rate (16-64), Jul-Sep 2005 to Jul-Sep 2020
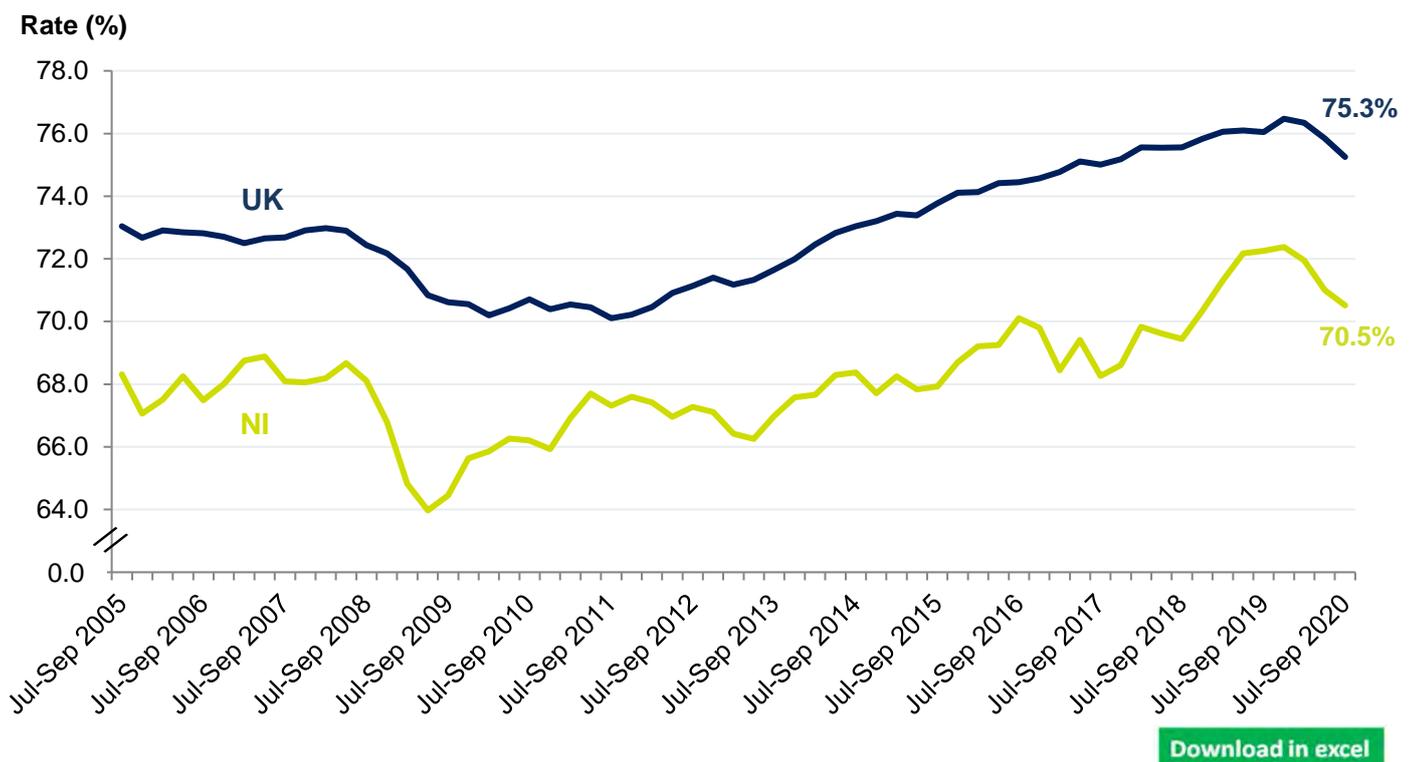
Figure 7 shows that, over the last 15 years, the NI employment rate has been consistently below the UK average. Although showing a similar trend, the fall in the employment rate in NI between 2008 and 2009 (decrease of 4.7 percentage points over one year) was steeper than the UK average.

The most recent NI employment rate for those aged 16-64 for the period July-September 2020 was estimated at 70.5%. The UK employment rate for those aged 16-64 for the same period was 75.3%. In Northern Ireland both the male and female employment rates decreased over the year. The NI and UK employment rates have decreased by 1.4 percentage points and 1.1 percentage points respectively since the beginning of 2020 (January-March 2020).

Employment rate (16-64 years)

The most recent NI employment rate for those aged 16-64 for the period July-September 2020 was estimated at 70.5%. This was:
- a decrease of 0.5pps over the quarter
- a decrease of 1.7pps over the year.

Annual changes by gender included:
- the male (16-64) employment rate (73.9%) decreased by 2.3pps over the year
- the female (16-64) employment rate (67.2%) decreased by 1.2pps over the year.

UK Regional comparison

The employment rate in NI (70.5%) was:
- below the UK average (75.3%)
- the lowest rate among the twelve UK regions

Employment 16+

The number of persons in employment (16+) during the period July-September 2020 was estimated at 856,000, of which 52% (448,000) were male and 48% (408,000) were female and represented;
- a decrease of 4,000 over the quarter and 22,000 over the year
- a decrease over the year in the number of males who were employed by 14,000 to 448,000
- a decrease over the year in the number of females who were employed by 8,000 to 408,000.

Self-Employment[6]

Of those aged 16+ in employment, 14.1% (120,000) were self-employed, a decrease of 18,000 from the same quarter last year. Annual changes by gender included:
- the number of males who were self-employed decreased over the year by 17,000 to 86,000
- the number of females who were self-employed decreased over the year by 1,000 to 34,000.

Worked fewer hours

New questions were added to the Labour Force Survey in July to provide more information on the reasons for decreases in hours worked and if these were linked to the Coronavirus pandemic. Estimates are not adjusted for seasonality. Of the 854,000 aged 16+ in employment, 251,000 (29%) indicated they had worked fewer hours than usual (including those who were temporarily away from work) in the reference week.
- within this, 58,000 (23%) cited this was due to work interrupted by economic reasons
- a further 43,000 (17%) cited unspecified other reasons, the majority of which were linked to coronavirus

For more information on how coronavirus and decreased working hours are linked please see the Employment and hours worked page.

Average weekly hours

> **Average weekly hours:** the number of hours worked in the reference week by those aged 16 or over in employment, in their main and 2nd jobs, averaged over the quarter
>
> **Total weekly hours:** average weekly hours multiplied by the total in employment aged 16 or over.
>
> *Note: all numbers refer to people aged 16 and over and have **not** been adjusted for seasonality. Imputation used for the Labour Force Survey was not designed to deal with the changes experienced in the labour market in recent months. Experimental work with adjusted methodology suggests the use of the existing methodology has understated the reduction in the actual numbers of hours worked by approximately 2 to 3%.*

Average weekly hours worked during July-September 2020 was estimated at 30.0 hours, this was:
- down 3 hours or 9% over the year; and up 3 hours over the quarter
- one of the lowest average weekly hours worked on record.

Figure 8: Average weekly hours worked (16+), Jul-Sep 2005 to Jul-Sep 2020
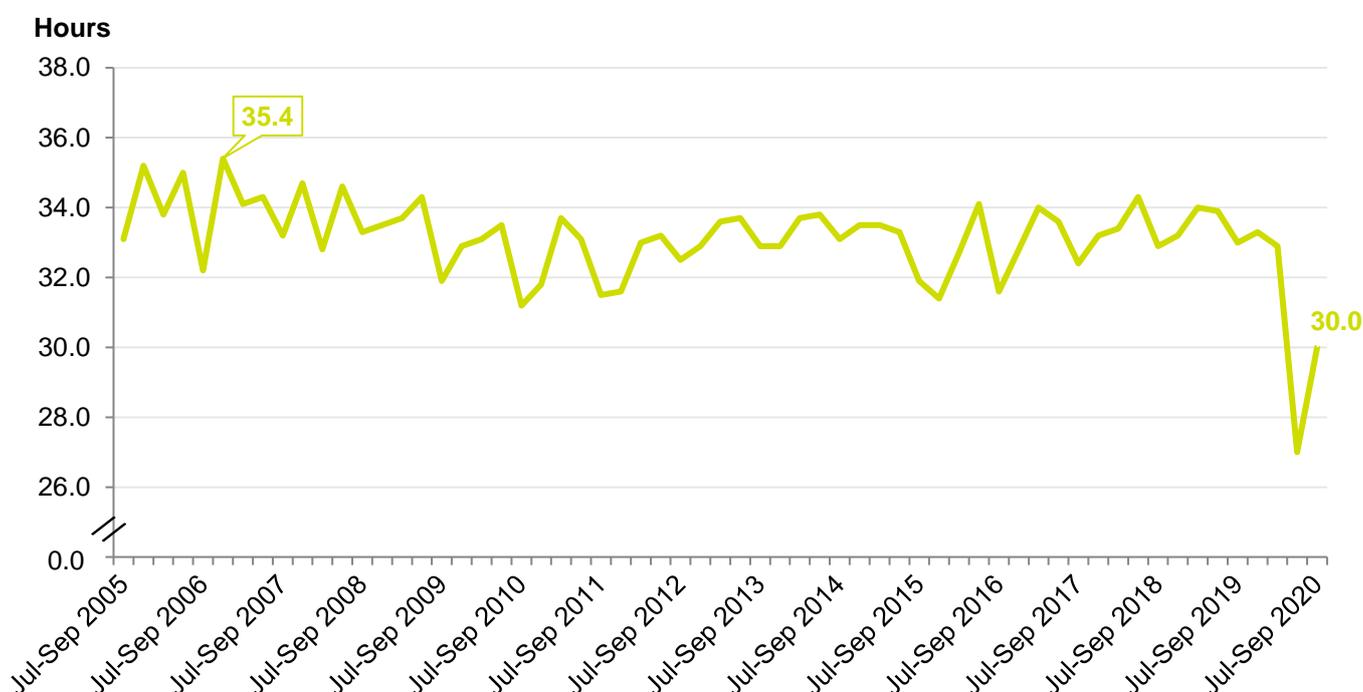
Figure 8 shows that, like many labour market indicators, estimated average hours worked shows a seasonal pattern. Outside of these seasonal variations a trend of decreasing average weekly hours worked is seen between 2005 and 2012, decreasing from between 33 and 35 hours per week to between 31 and 33 hours, then increasing at a slower rate to between 33 and 34 hours per week in 2019.

Following a record decrease (5.9 hours) in this quarterly series in the average number of hours worked per week in the quarter to April-June 2020, the most recent estimates shows some recovery on this measure; an increase of 3.0 hours per week over the quarter. However at 30.0 hours per week, it is the second lowest on record in this series and is 3.0 hours per week below the same quarter last year.

The proportion of people aged 16-64 in employment and working zero hours in the reference week increased from 8% in January-March 2020 to 26% in April-June 2020. The most recent estimates show a decrease over the quarter to 17% in July-September 2020. Further information on the composition of employment is on the employment and hours worked page and a comparison of the three quarters of 2020 is in the distribution of weekly actual hours worked January-March – July-September 2020 table.

Total weekly hours

Total weekly hours in Northern Ireland was estimated at 25.7 million hours, this was:
- down by 3.2 million hours, or 11.2% from July-September 2019
- an increase of 11% on April-June 2020

**Figure 9: Total weekly hours worked (16+), Jul-Sep 2005 to Jul-Sep 2020**
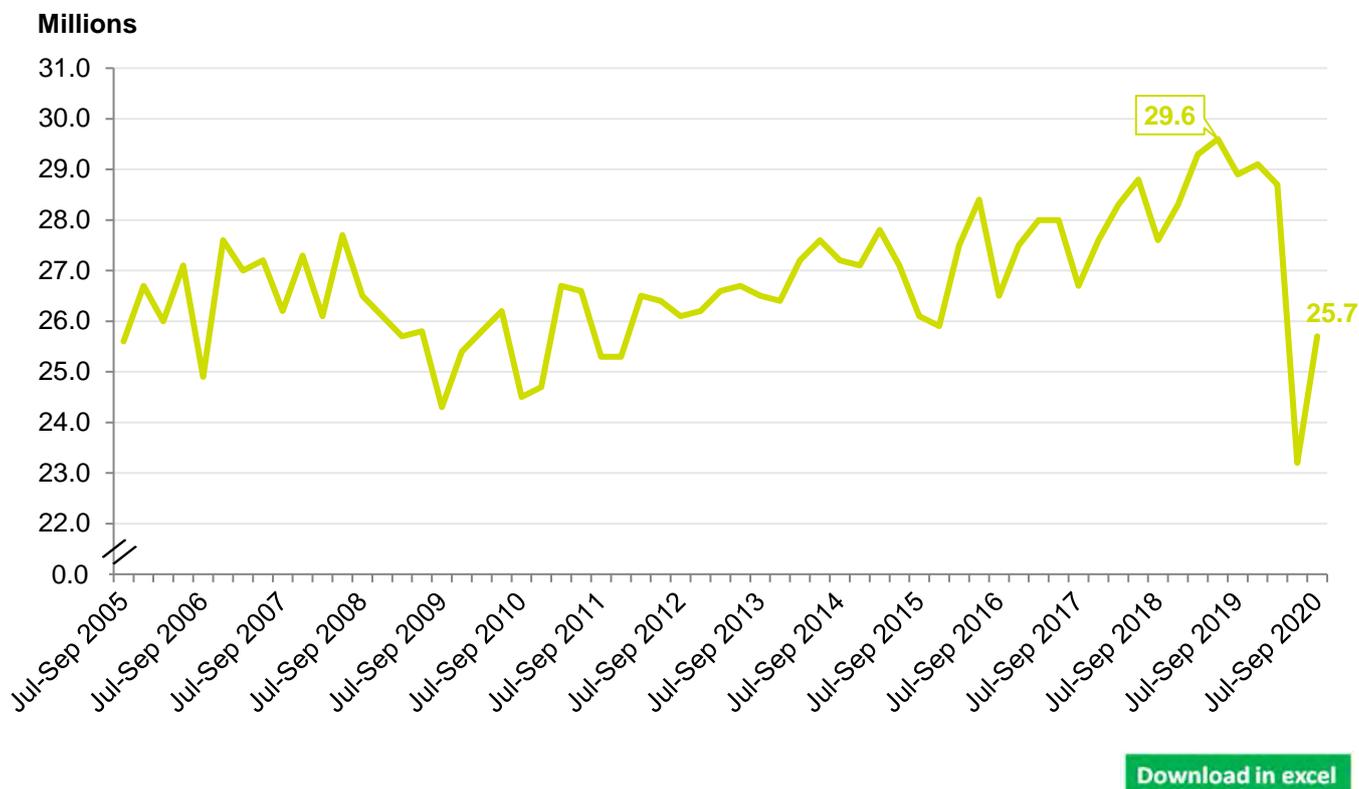
Millions

Figure 9 shows that between April-June 2020 and July-September 2020 the total number of hours worked increased by 11%, after falling 19% to the previous quarter. However, at 25.7 million hours worked, it remains 11% below the January-March 2020 value.

Between July-September 2019 and July-September 2020 the estimated total weekly hours worked decreased by 3.2 million to 25.7 million hours, the second largest annual decrease in this quarterly series. The decrease in total weekly hours worked over the year was driven by a decrease in average hours worked and by decreases in the number of people employed.

Further information is available on the NISRA - Economic and Labour Market Statistics website:

LFS employment

Employment and hours worked - including a new hours worked data distribution table for those aged 16-64 in January-March, April-June and July-September 2020

Quarterly Employment Survey (QES)

Employee jobs estimates are calculated from the Quarterly Employment Survey (QES) aspect of the Quarterly Business Survey (QBS). The QES has a sample size of approximately 6,000 companies that are asked to provide employment data for each of their business activities. **The survey date for Quarter 2 was 1st June 2020 for Northern Ireland. Those who are furloughed under the Coronavirus Job Retention Scheme (CJRS) are included in employee jobs estimates.**

> **QES employee:** An employee is defined as anyone aged 16 years or over that is directly paid from a business's payroll for carrying out a full-time or part-time job or being on a training scheme in Northern Ireland.

Key Findings

- **Employee jobs in NI decreased marginally over the quarter to June 2020 following a peak in March 2020, which is the first quarterly decline since December 2015.**

- **The manufacturing, construction and services sectors all saw quarterly decreases to June 2020. Other industries was the only broad industry sector to report an increase over the quarter.**

- **Manufacturing was the only broad industry sector to record a decrease in employee jobs over the year, following four consecutive quarters of decline since the peak in June 2019.**

- **The annual increase of 0.3% in private sector employee jobs is the lowest rate of annual growth since September 2012.**

- **Following a period of annual decline in public sector employee jobs between June 2015 and June 2017, there have been consecutive annual increases since September 2017.**

Figure 10:   Index of Employee Jobs, June 2005 to June 2020

Index: Jun 05 = 100
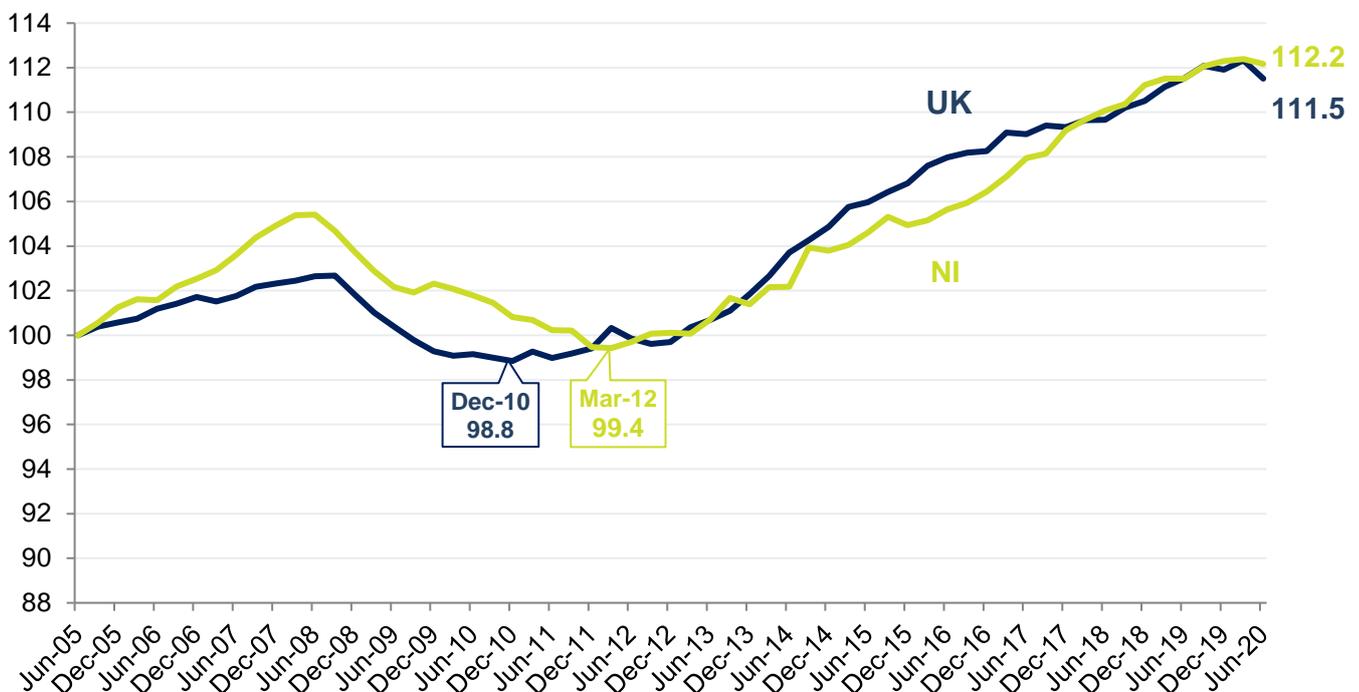
Figures are indexed to June 2005

Figure 11 shows the estimated seasonally adjusted employee jobs, indexed to allow comparison between NI and the UK.

Since 2005, the UK reached a low point in December 2010, more than a year before the NI low in March 2012. There are now 88,580 more employee jobs in NI since the lowest point in March 2012, and 3,498,000 more jobs in the UK since December 2010.

Employee Jobs

The seasonally adjusted employee jobs total in Northern Ireland at June 2020 was 779,880, which was:
- a decrease of 0.2% (-1,540 jobs) over the quarter from the revised March 2020 estimate of 781,420. This decrease from the peak in employee jobs in March is the first quarterly decline since December 2015.
- an increase of 0.6% (4,570 jobs) over the year from the revised June 2019 estimate of 775,310.
- Neither the quarterly nor the annual changes in employee jobs were statistically significant.

Employee jobs by sector

The seasonally adjusted quarterly change consisted of:
- decreases in the services (0.1% or -830 jobs), manufacturing (0.6% or -530 jobs) and construction sectors (0.9% or -340 jobs).
- the other industries sector increased by 0.6% (160 jobs).
- an increase of 0.6% (1,360 jobs) in the public sector.
- a decrease of 0.2% (-1,000) in the private sector.

Over the year to June 2020:
- increases were seen in the services (0.9% or 5,780 jobs), other industries (3.0% or 730 jobs) and construction sectors (1.3% or 440 jobs).
- the manufacturing sector decreased by 2.7% (-2,370 jobs).
- the public sector increased by 1.4% (3,000 jobs).
- the private sector increased by 0.3% (1,960 jobs).

The annual increase of 0.3% in private sector employee jobs is the lowest rate of annual growth since September 2012. Following a period of annual decline in public sector employee jobs between June 2015 and June 2017, since September 2017 there has been twelve consecutive quarters of annual growth in public sector jobs to June 2020.

Further information is available on the NISRA - Economic and Labour Market Statistics website and further breakdowns of employee jobs by geography and industry are available from the Business Register and Employment Survey.

Impact of COVID-19 on data collection and estimates

COVID-19 impacted on the data collection and the validation of employee jobs data, which are collected on the Quarterly Business Survey. As a result, the employee jobs estimates for March and June 2020 are likely to be subject to higher revisions than normal over the coming quarters. These can be tracked through the revisions triangle which is published alongside the QES publication. Comparisons of provisional March and June 2020 employee jobs estimates at lower industry levels in particular (eg 2 digit Standard Industrial Classification level), should be treated with caution.

Comparisons between LFS Employment and QES Employee Jobs

The concept of employment (measured by the LFS as the number of people in work) differs from the concept of jobs, since a person can have more than one job, and some jobs may be shared by more than one person.

The LFS and QES measure employment in different ways. The LFS is a sample survey carried out by interviewing individuals about their personal circumstances and work. The QES is a quarterly survey of businesses which provides short term employee jobs estimates for Northern Ireland. It surveys all public sector jobs, all private sector firms with 25 or more employees, all businesses with more than one industry activity and a representative sample of smaller firms. LFS employment figures are based on a rolling three month period and QES measures the number of jobs on a particular day.

LFS employment includes those who are employed, self-employed, unpaid family workers and those on Government supported training programmes. QES employee jobs include full-time and part-time jobs and those on a training scheme and excludes self-employed.

Vacancies

Headline figures are presented for vacancies notified to the Department for Communities (DfC). A small proportion of vacancies notified are based in the UK mainland or in the Republic of Ireland. The statistics do not represent the total unsatisfied demand for staff by employers. This provides a partial picture of the true number of vacancies, as employers may advertise by other means and do not have to notify DfC of their vacancies. The 2016 Employer Skills Survey (ESS) estimated that administrative data sources account for approximately 55% of vacancies. Vacancies in a given month relate to those on the count date, are not seasonally adjusted and are subject to revision in the following periods.

For more information about vacancies data and publication dates, please see the Department for Communities website.

Full-time vacancies: Full-time vacancies include any vacancy 30 hours or over per week.

Part-time vacancies: Part-time vacancies include any vacancy between 1 and 29 hours per week.

Casual vacancies: Casual vacancies are vacancies where no regular hours are guaranteed.

Key Findings

- **There were 13,300 vacancies notified during July-September 2020. This includes full-time, part-time and casual vacancies.**

- **This is an increase of 5,400 notifications on the previous quarter.**

Figure 11:   Monthly Notified Vacancies, September 2015 to September 2020
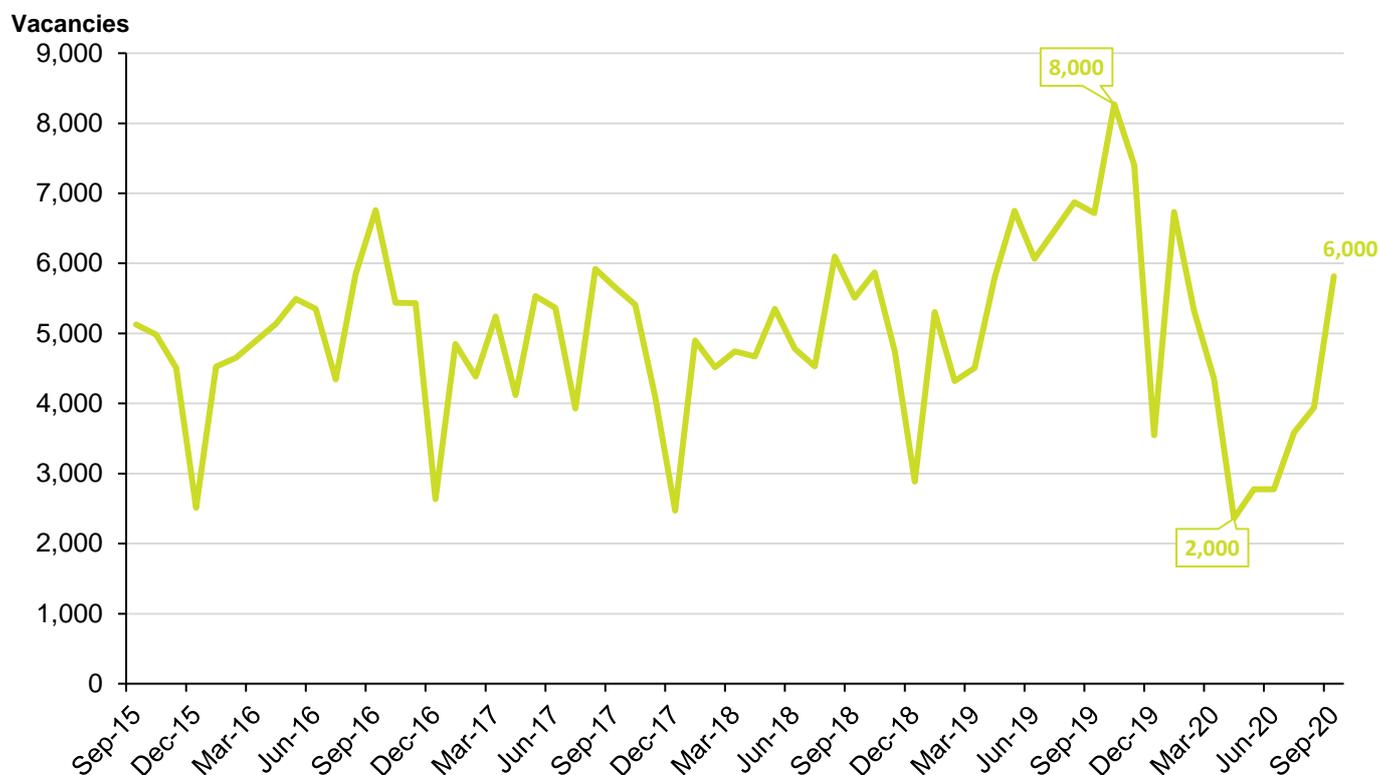
Figures in the above graph are not National Statistics.
(1) Monthly notified vacancies are all new vacancy positions notified to Department for Communities. All statistics are derived from data extracted from the Department for Communities Client Management System (CMS).
(2) Vacancies data is published quarterly and reported by financial year. Data for July-September 2020 was published in October 2020.

There were 13,300 vacancies notified during July-September 2020, an increase of (69%) 5,400 notifications on the previous quarter but a decrease of (33%) 6,700 from the same quarter last year.

During the April-June quarter, 75% of vacancies were full-time. This has decreased to 68% in July-September 2020, mainly due to a large increase in part-time vacancies.

Further breakdowns and background notes are available on the DfC website: DfC Statistics

UK-wide Vacancy Statistics

UK-level statistics are available on the ONS website: ONS Statistics and ONS Vacancy Survey Methodology.

Vacancy statistics at the UK level are based on a business survey.

The most recent figures for the July-September period were released on the 13th October 2020 and are available from the ONS website.

Vacancies at a UK level show a similar trend to NI; after a record low of 343,000 vacancies in April to June 2020 there has been an estimated record quarterly increase of 144,000 to 488,000 vacancies in July to September 2020. Vacancies remain below the pre-coronavirus (COVID-19) pandemic levels and are 332,000 (40.5%) less than a year ago.

Experimental payrolled employee counts from HMRC PAYE Real Time Information System

HM Revenue and Customs' (HMRC's) Pay As You Earn (PAYE) Real Time Information (RTI) system is the system employers use to take Income Tax and National Insurance contributions before they pay wages to employees. These data relate to employees paid by employers only, and do not include those who are self-employed. Data are based on where employees live and not the location of their place of work within the UK. Data are seasonally adjusted but not adjusted for inflation. As employees who are "furloughed" as part of the Coronavirus Job Retention Scheme programme should still have their payments reported through this system, they should feature in these data.

The data are classed as Experimental Statistics as the methodologies used to produce the statistics are still in their development phase. As a result, the series are subject to revisions. Early estimates for October 2020 are based on around 85% of information and are considered of lower quality. October estimates may be subject to revision in next month's release when between 98% to 99% of data will be available.

Key Findings

- **The number of payrolled employees in NI in September was 0.1% higher than August 2020 and 0.7% lower than September 2019**

- **The flash estimate for October indicates a decrease from September of 0.1% to 742,400 and is 1.6% below March total**

- **In the UK, employees fell by 0.1% over the month and 2.5% over the year to September**

Figure 12:   Payrolled employees from PAYE RTI, July 2014 to October 2020
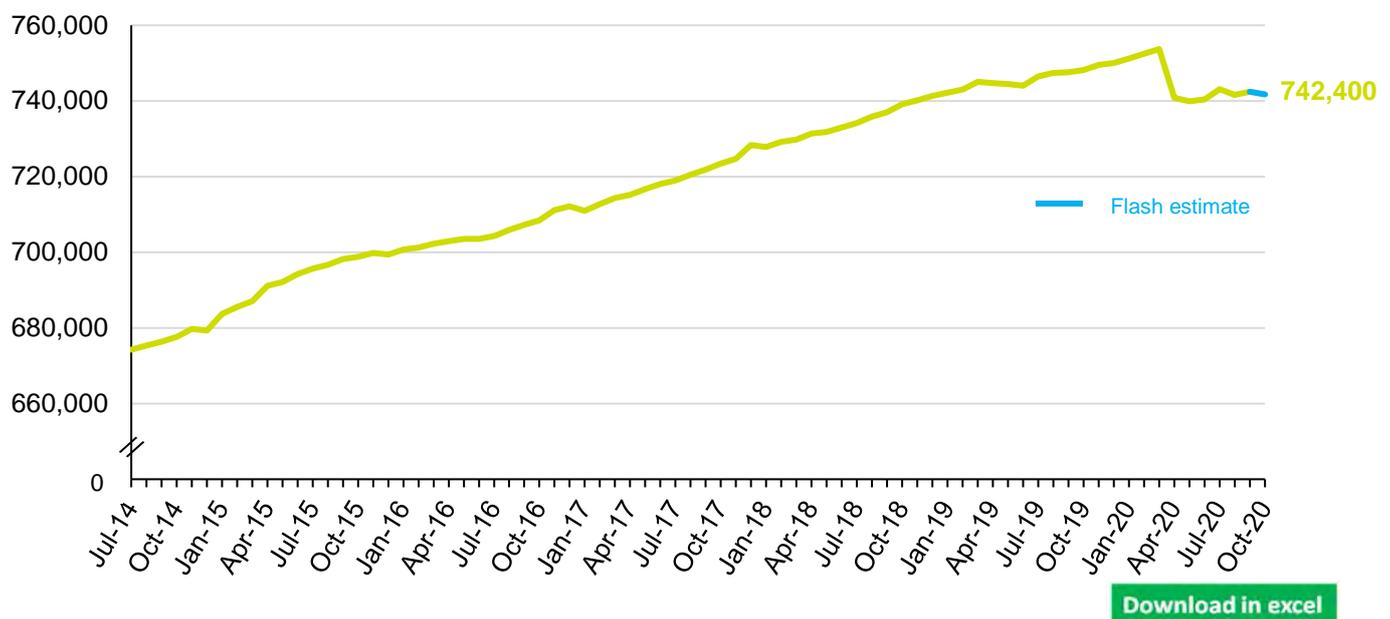
Between 2014 and 2020 the number of payrolled employees had generally been increasing each month.

The number of paid employees reached a peak of 753,700 in March 2020 before a sharp decrease of 12,900 employees or 1.7% over the month to April. The number of paid employees has remained relatively constant since then. The flash estimate for October is 1.6% below the March total.

Data from the latest HMRC PAYE RTI show that:
- 742,400 people were payrolled employees in September, an increase of 0.1% on the previous month and a decrease of 0.7% from the September 2019.
- According to early estimates for October, there were 741,700 payrolled employees, a decrease of 0.1% on the previous month and a decrease of 0.9% from October last year.

- In the UK, there were 28,245,000 payrolled employees at September 2020, down 0.1% over the month and 2.5% over the year.
- All regions of the UK saw a decrease over the year to September 2020, with NI recording the lowest decrease (0.7%) and London recording the largest (4.0%).
- Between March and September, NI recorded the smallest decrease (1.5%) in payrolled employees across all the regions of the UK (UK decreased by 2.6% overall).

Comparison between LFS Employment and the number of paid employees from HMRC PAYE RTI

LFS is a sample survey and is conducted to International Labour Organisation (ILO) definitions. It provides the official employment measure in NI with a time lag of six weeks between the end of data collection and publication of estimates. LFS employment includes those who are employed, self-employed, unpaid family workers, temporarily away from a job they expect to return to, and those on Government supported training programmes. The statistics cover a three month period.

Paid employee statistics from HMRC count people who are employed in at least one job paid through PAYE and cover the whole population of employees rather than a sample of employees. Self-employed are not included in the counts. The data are classed as Experimental Statistics as the methodologies used to produce the statistics are still in their development phase. As a result, the series are subject to revisions. Early estimates with a two week time lag are based on around 85% of information and are considered of lower quality and subject to larger revisions in the following release, when between 98% to 99% of data are available.

The coverage and content differences between the two sources generally result in the UK RTI estimates being higher than the LFS employee estimates, while sampling variability in the LFS results may affect the comparison in both directions. A blog published by ONS in July however, explains why the paid employee counts have fallen more than the LFS employee counts since the beginning of the pandemic. It explains that this is mainly due to people who do not meet the criteria for the Coronavirus Job Retention Scheme and therefore are not paid through PAYE, but who expect to return to a job they are temporarily away from and are included within the LFS employment total.

**Experimental Median monthly earnings from HMRC PAYE Real Time Information System**

> **Median** measures the amount earned by the average employee, i.e. the level of earnings at which half the population are above and half the population are below.
>
> *Note: The percentage change of the median has been calculated using rounded figures.*

Key Findings

- **Median monthly pay increased by 0.7% (£13) over the month to September to £1,764 and was 4.9% higher than the same period last year.**

- **Flash estimates for October show earnings of £1,769 in NI and £1,916 in the UK**

- **UK median monthly pay increased by 1.6% (£31) over the month to September to £1,911**

Figure 13:   Median Monthly Pay from PAYE RTI, July 2014 to October 2020
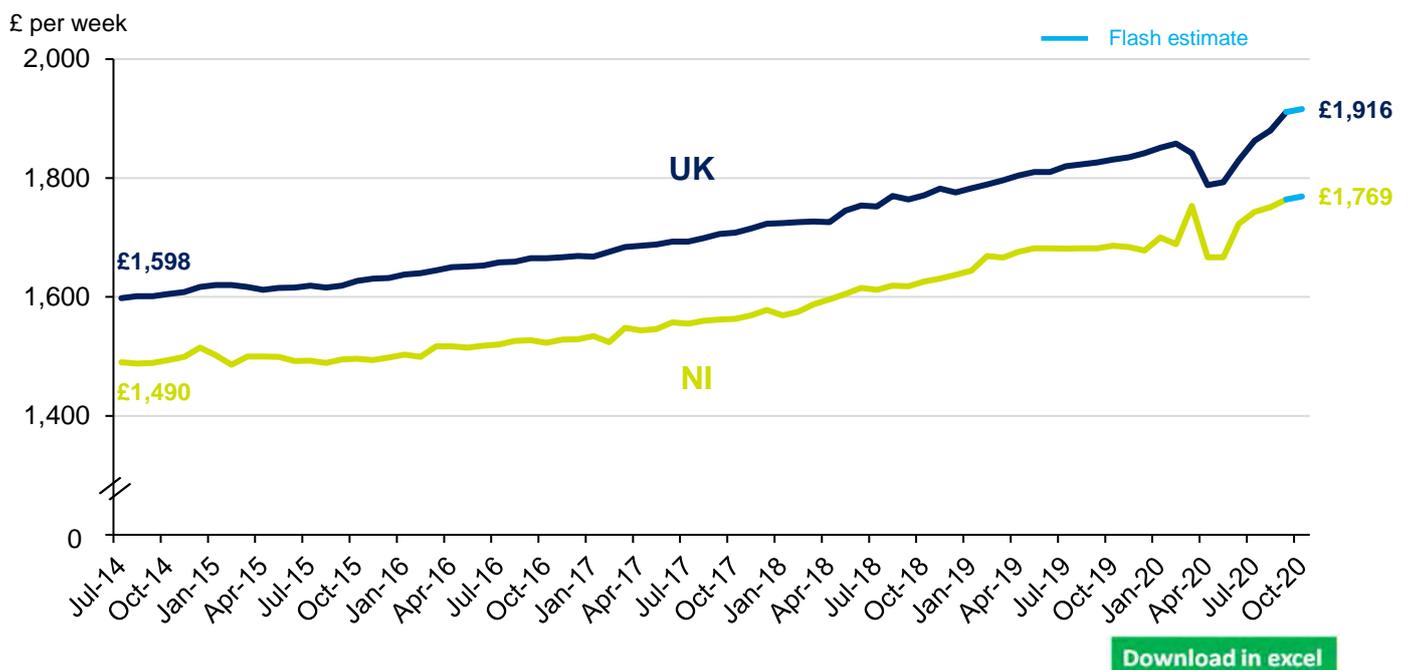
Median employee pay in NI and UK have generally been on an increasing trend between mid-2015 and early 2020. More recently monthly estimates showed a sharp increase in median pay of 3.8% between February and March in NI, followed by a decrease of 4.9% in NI and 2.9% in the UK between March and April 2020. This coincided with decreases in the number of paid employees between March and April. Following increases since May, median pay in September and October was 4.9% above median pay a year earlier.

Data from the latest HMRC PAYE RTI show that:
- NI had a median monthly pay of £1,764 in September 2020, which was an increase of 0.7% on the previous month and an increase of 4.9% from the same time last year
- UK had a median monthly pay of £1,911 in September 2020, which was an increase of 1.6% on the previous month and an increase of 4.7% from the same time last year
- NI had the lowest median monthly pay (£1,764) of the 12 UK regions in September 2020 and London had the highest (£2,306)
- Flash estimate earnings for October 2020 were £1,769 for NI (a 0.3% increase over the month) and £1,916 for the UK (a 0.3% increase over the month).
- Between March and September, earnings in NI increased by 0.6%, whilst all other regions saw an increase of at least 3% over this period (3.7% in the UK overall).

Further information on UK monthly pay, UK pay distribution, methodology, data source, collection and coverage of the PAYE RTI data can be found on the [ONS website.](#)

5 Economic Inactivity

LFS economic inactivity

The Labour Force Survey estimates from January-March 2020 to May-July 2020 have been revised. Please see LFS revision note – October 2020 detailing the size of revisions.

> **Economically inactive:** people who are neither in employment nor unemployed on the ILO measure. This group includes all those who are looking after a home, long term sick or disabled, students and retired.

Key Findings

- **The economic inactivity rate decreased over the quarter and increased over the year to 26.8%**

- **NI economic inactivity remains the highest of the twelve UK regions**

Figure 14:   Seasonally adjusted economic inactivity rates (16-64), Jul-Sep 2005 to Jul-Sep 2020
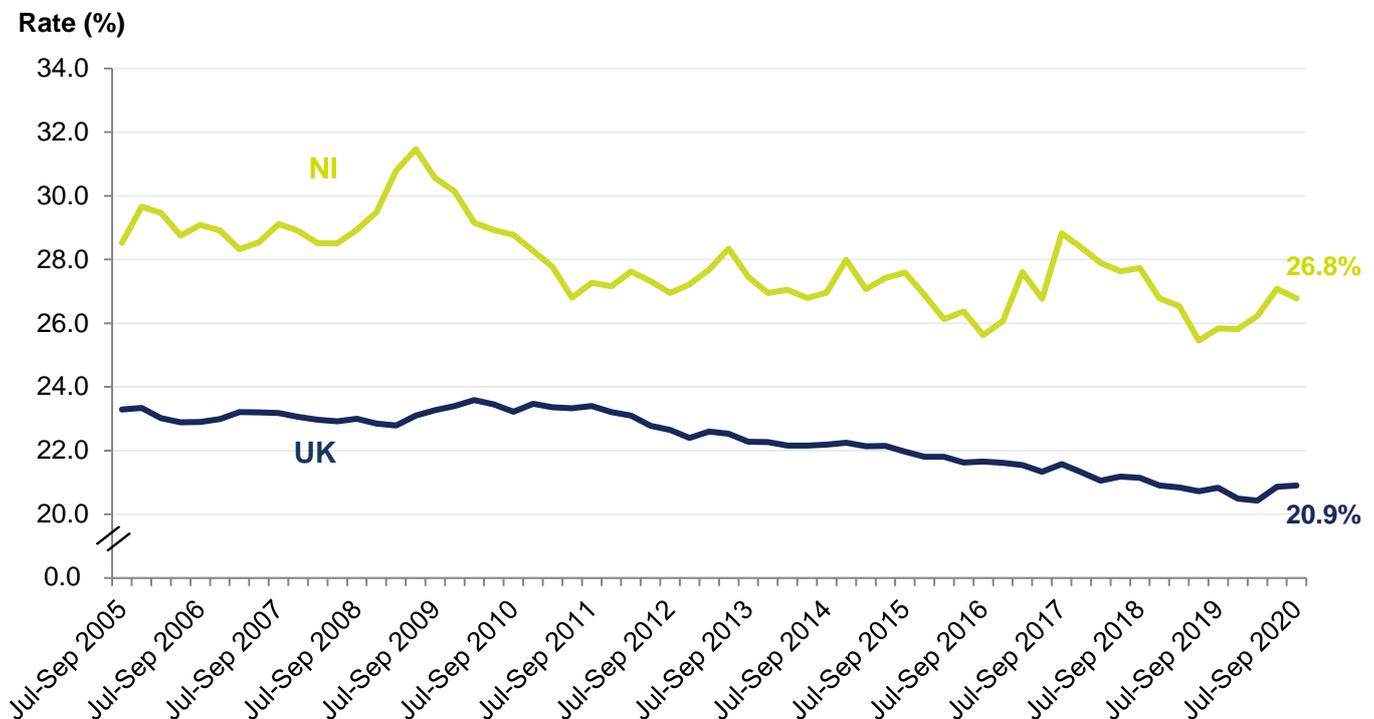
Figure 14 shows that, over the last 15 years, economic inactivity in NI has been consistently higher than the UK average. Economic inactivity peaked in NI during this time period in 2009 at over 31% compared to the peak in the UK as a whole at 23.6% in 2010. During the past 10 years, the UK inactivity rate has mostly been on a downward trend while there was a trend of decreasing economic inactivity in NI from mid-2017 until the end of 2019.

Economically inactive

The seasonally adjusted economic inactivity rate (aged 16-64) for July-September 2020 was estimated at 26.8%, which was:
- a decrease of 0.3pps over the quarter
- an increase of 0.9pps over the year.

Annual changes by age and gender included:
- the male (16-64) economic inactivity rate (22.9%) increased by 1.4pps over the year
- the female (16-64) economic inactivity rate (30.6%) increased by 0.5pps over the year
- unadjusted data show the economic inactivity rate increased in all age groups.

The number of economically inactive persons (aged 16-64) was estimated at 313,000, of which 42% (132,000 were male) and 58% (181,000) were female and represented:
- a decrease of 3,000 over the quarter and increase of 11,000 over the year.
- an increase over the year in the number of males who were economically inactive by 8,000 to 132,000
- an increase over the year in the number of females who were economically inactive by 3,000 to 181,000.

Reasons for economic inactivity*

A decrease in the number of people looking after family or home (down 4,000) was seen over the year, however this was offset by an increase in the number of people who were inactive due to long-term illness (10,000), being a student (1,000) or other reasons (4,000). Other reasons include those who do not need or want employment, awaiting the results of a job application, not yet started looking for work or those who did not give a reason. The number of people who were inactive due to being retired was unchanged over the year.

UK Regional comparison

The NI economic inactivity rate for those aged 16-64 stood at 26.8%. This was:
- higher than the UK average rate (20.9%)
- the highest of the twelve UK regions

Further information is available on the NISRA - Economic and Labour Market Statistics website:

LFS Economic Inactivity
Economic Inactivity in Northern Ireland topic paper
Women in Northern Ireland

*Note that reasons for inactivity figures have not been adjusted for seasonality.

6 Further Information

LFS unemployment

The definition of unemployment used in the Labour Force Survey (LFS) is in accordance with that of the International Labour Organisation (ILO). The ILO unemployed includes those without a job who were able to start work in the two weeks following their LFS interview and had either looked for work in the four weeks prior to interview or were waiting to start a job they had already obtained.

The definition of unemployment rate is the percentage of economically active people who are unemployed.

Please note that it is possible for the number of unemployed to increase and the unemployment rate to fall during the same period, as the latter measure is a ratio e.g. if the number of economically active has increased at a faster rate than the number unemployed, the unemployment rate will fall.

LFS employment

The definition of ILO employed applies to anyone (aged 16 or over) who has carried out at least one hour's paid work in the week prior to interview, or has a job they are temporarily away from (e.g. on holiday). Also included are people who do unpaid work in a family business and people on Government-supported employment training schemes.

The definition of employment rate is the percentage of all working age (16-64) people who are employed.

LFS economic inactivity

Economic inactivity is defined as those individuals who are neither in employment nor unemployed as determined by the ILO measure. This economic status includes all those who are looking after a home, are long term sick or disabled, are students or are retired.

Reporting Change and Sampling variability

Reported change is calculated using unrounded data and is presented to 1 decimal place. When a change is less than 0.05pps, it is rounded to 0.0pps and the data is reported as unchanged. 'Over the quarter' refer to comparisons between the latest quarterly estimates for the period July-September 2020 and the quarter previous to that (i.e. April-June 2020). 'Over the year' refer to comparisons between the latest quarterly estimates for the period July-September 2020 and those of the corresponding quarter one year previously (i.e. July-September 2019).

The LFS is a sample survey and, as such, estimates obtained from it are subject to sampling variability. If we drew many samples, each would give a different result. Table 2 shows the sampling variability of the estimates, and quarterly and annual changes using 95% confidence intervals. We would expect that in 95% of samples the range would contain the true value. The final column contains the confidence interval that can be used when assessing change between two independent samples. Due to the LFS five wave structure, this means it can be used to assess changes over six quarters or more. The confidence intervals have been calculated using data that are not seasonally adjusted, with the relevant sampling errors produced then applied to the seasonally adjusted data.

If the 'quarterly or annual change' of an estimate is larger than the 'confidence interval around the change', the change is statistically significant. If none of the reported changes over the year or the quarter were statistically significant, then the recorded changes did not exceed the variability expected from a sample survey of this size.

Table 2: Sampling variability of labour market estimates

July-September 2020	Estimate	Confidence interval around estimate	Change over quarter	Confidence interval around quarterly change	Change over year	Confidence interval around annual change	Confidence interval around change
Unemployment[1]	32,000	+/-8,000	9,000	+/-6,000	9,000	+/-9,000	+/-9,000
Employment[2]	856,000	+/-24,000	-4,000	+/-19,000	-22,000	+/-28,000	+/-30,000
Economically inactive[2]	589,000	+/-23,000	-4,000	+/-19,000	19,000	+/-27,000	+/-29,000
Unemployment rate[1]	3.6%	+/-0.8pps	1.0pps	+/-0.7pps	1.0pps	+/-1.0pps	+/-1.0pps
Employment rate[2]	70.5%	+/-1.9pps	-0.5pps	+/-1.4pps	-1.7pps	+/-2.3pps	+/-2.5pps
Economic inactivity rate[2]	26.8%	+/-1.8pps	-0.3pps	+/-1.4pps	0.9pps	+/-2.2pps	+/-2.4pps

[1] People aged 16 and over. Unemployment rate = total unemployed as a proportion of the economically active.
[2] Levels for all persons aged 16 and over, rates for working age (16-64).

Download in excel

Please see link for further LFS notes and definitions: LFS Background Information

Response Rates – Updated quarterly (last updated 10/11/2020)

The total eligible sample for the July-September 2020 LFS consisted of 6,114 addresses (2,558 chosen at random from the Land and Property Services (LPS) list of domestic properties and 3,556 carried forward from the previous quarter). A random start, fixed interval sampling technique of the addresses, which are ordered by Council Area and Ward, is used. This ensures a proportional representation across the Council Areas in Northern Ireland.

Only private household addresses were eligible, since the LFS is a survey of the private household population. Every selected address is interviewed on five successive occasions, such that in any one quarter, a fifth of the sample will be receiving their first interview, one fifth their second and so on, with one fifth receiving their fifth and final interview. This results in an 80% sample overlap between quarters.

Table 3: Response rates, July-September 2020

Fully and partially responding	1,774
Eligible sample	6,114
Response rate (%)	29.0%

*Of the addresses sampled, a small number contained more than one household and some contained households which moved during the quarter. Residents in NHS hospital accommodation (formerly called nurses' homes) and students living in halls of residence or boarding schools are included to improve the coverage of young people.

LFS Comparisons

Estimates of employment, unemployment, and economic inactivity are derived from the LFS. The most robust estimates of short-term movements in these estimates are obtained by comparing the estimates over separate three month periods. For example, estimates relating to July-September 2020 should be compared with the estimates for April-June 2020. This provides a more robust estimate than comparing with the estimates for June-August 2020, as the July and August data are included within both estimates. Effectively, observed differences are those between the individual months of June 2020 and September 2020. The LFS is sampled such that it is representative of the NI population over a three month period, not for a single month period.

Seasonal adjustment

All estimates discussed in this Statistical Bulletin are seasonally adjusted unless otherwise stated. Like many economic indicators, the labour market is affected by factors that tend to occur at around the same time every year, for example, school leavers entering the labour market in July and whether Easter falls in March or April. To compare over months or quarters, the data are seasonally adjusted to remove the effects of seasonal factors and the arrangement of the calendar.

Thresholds

Thresholds are used to determine whether LFS data are suitably robust for publication. Estimates below a grossed value of 8,000 were previously suppressed however this has been reviewed and tables accompanying this release have been subsequently updated. Now, only estimates based on fewer than 3 events are supressed to prevent disclosure. Shading is used to draw attention to lower statistical quality/precision of estimates that are based on a smaller sample size. These give the best estimate of the size of a group but comparison across time or between groups with similar values should be avoided. Unshaded estimates are based on a larger sample size. This is likely to result in estimates of higher precision, although they will still be subject to some sampling variability. Further information is available on the NISRA website in the reporting reliability in user requested data guidance. Additionally estimates for youth unemployment and long term unemployment have been included in the report however they are based on a smaller sample size and are therefore shaded in the accompanying tables. As such, associated confidence intervals for these estimates are wide and comparisons over time and with other regions are not encouraged as differences are not likely to be statistically significant.

LFS revisions

Estimates derived from the Labour Force Survey (including estimates of employment, unemployment and economic inactivity) are calculated using 2016 based population projections and the 2017 mid-year population estimates. LFS microdata are routinely revised to incorporate the latest population estimates. The latest revisions were published in February 2019 and affect LFS data from the period June-August 2011 onwards. In addition, data from November-January 2018 onwards also reflects a boost to the LFS sample that has been rolled out from January 2018 beginning with wave 1 and was fully implemented through all 5 waves by April-June 2019. To illustrate this boost in sample size, the November-January 2017 eligible sample was 2,394 (with 1,517 of those fully or partially responding), while the December-February 2020 sample size was 3,846 (with 2,773 of those fully or partially responding). More information on the increased sample size is available in a separate paper.

A review of seasonal adjustment methodology also took place in February 2019 and affected seasonally adjusted data from June-August 2011 onwards. The majority of revisions to the unemployment rate fell within +/-0.1 percentage points and the largest revision was -0.3pps; the working age employment rate mostly fell within +/- 0.1 percentage points and the largest revision was 1.0pps. More information on the revision policy concerning labour market statistics can be found through the following link: Labour market statistics revisions policy

Revisions to Labour Force Survey Estimates from January –March 2020.

NISRA suspended all face to face household interviews in the middle of March due to COVID-19 and from April all LFS interviews were conducted by telephone. This change in mode for first interviews has changed the non-response bias of the survey, affecting interviews from March 2020 onwards. In particular, the proportion of households where people own their homes in the sample has increased and rented accommodation households has decreased. As such, ONS have revised the weighting methodology to include tenure type and provided a consistent reweighted time series back to January-March 2020. The impact on the NI results has generally been to increase the unemployment rate and economic inactivity rate and decrease the employment rate. More information can be found in an article on the ONS website.

Data collection changes due to COVID-19

Data collection methods for the Labour Force Survey changed in March 2020 with the suspension of all face-to-face household interviews. From April, all face-to-face interviews have been replaced by telephone interviews and this is the first quarter of data where all interviews were conducted by telephone. In addition, from April, an online Labour Market Survey has been rolled out, designed to capture key labour market variables and to supplement main Labour Force Survey data.
For further information on the impacts of COVID-19 to collection and production of statistics see the COVID-19 and the production of statistics section on the NISRA website and an ONS Statement on ensuring the best possible information during COVID-19 through safe data collection.

Temporary change in release time
Due to a change in ONS release and briefing practices in light of COVID-19, from April NISRA market sensitive statistics are released at 7am and not the standard release of 9.30am. NISRA requested the temporary change in time from the Office for Statistics Regulation. Correspondence between NISRA and OSR is available on the OSR website, and more detail on the change in ONS practices is available on the ONS website.

Experimental Claimant Count (Jobseekers Allowance claimants plus some out-of-work Universal Credit claimants)

In March 2018, the NI JSA-only claimant count was replaced by an experimental measure based on JSA claimants plus out-of-work UC claimants who were claiming principally for the reason of being unemployed. The measure is categorised as experimental as the statistics are in the testing phase and not yet fully developed. ONS have produced a useful 'Guide to Experimental Statistics' and an FAQ document explaining the difference between the two measures is available on the NISRA website.

Additional data tables are published on the NISRA website and counts are available from NOMIS.

Claimant count correction note

A number of claims across the UK to the UC element of the Claimant Count were coded to incorrect locations for data relating to December 2018 to November 2019. This has been corrected for December 2019 onwards, but previous periods remain affected. The impact of the revision on NI for December 2019 was an increase of fewer than 1,000 cases.

Claimant count revisions

Seasonally adjusted estimates are revised on a regular basis. Each month the previous estimate is revised in line with the current seasonal adjustment model, giving the best estimate of change for the latest period. During the Covid-19 outbreak the seasonal adjustment parameters for the Claimant Count will be under constant review and may result in revisions to the seasonally adjusted Claimant Count. Further details and previous seasonal adjustment revisions are available from the change to claimant count measure in NI website.

Redundancy Legal Requirements

Under the Employment Rights (Northern Ireland) Order 1996 (amended 8 October 2006), companies are only legally required to notify the Department of impending redundancies of 20 or more employees. Companies who propose less than 20 redundancies are not required to notify the Department so there is likely to be an undercount.

HMRC PAYE

Experimental Statistics on earnings and number of payrolled employees from HM Revenue and Customs' (HMRC's) Pay As You Earn (PAYE) Real Time Information (RTI) system are included in Section 4. HMRC PAYE RTI is the system employers use to take Income Tax and National Insurance contributions before they pay wages to employees. Data relate to employees paid by employers only, and do not include self-employment income or income from pensions, property rental or investments. Data are based on where employees live and not the location of their place of work within the UK. Data are seasonally adjusted but not adjusted for inflation. The HMRC PAYE covers the whole population rather than a sample of employees or companies. The data are classed as Experimental Statistics as the methodologies used to produce the statistics are still in their development phase. As a result, the series are subject to revisions. Background information including the methodology used to compile the statistics, strengths and limitation and a comparison with other labour market sources is available on the ONS website.

Quarterly Employment Survey (QES)

All QES data contained in the LMR are adjusted for seasonality. The seasonally adjusted series started in 2005. Public sector and private sector series are seasonally adjusted separately to the industry breakdowns. As such, the two series may differ at the NI level.

QES Revisions

QES estimates are revised quarterly to reflect the latest information provided to the Department by employers. The March 2020 seasonally adjusted estimate first published in June 2020 has subsequently been revised down 0.3%. For further details of QES revisions please see the following link: QES Revisions.

The Northern Ireland Statistics and Research Agency wishes to thank the participating households and businesses for their co-operation in agreeing to take part in the surveys and for facilitating the collection of the relevant data. For further information contact:

7 Index of Web Tables

Table No.   Title

Labour Force Survey

Labour Market Status

Labour Market Status – Updated quarterly – *last updated 10.11.2020*

Education and Training – *last updated 10.11.2020*

Disability and the Labour Market – *last updated 10.11.2020*

Graduates – *last updated 10.11.2020*

Not in Education, Employment or Training (NEET) – *last updated 20.08.20*

Households – *last updated 26.08.20*

Claimant Count (Experimental

Redundancies

Quarterly Employment Survey – *last updated 15.09.2020*

HMRC PAYE RTI